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SOCIAL JUSTICE

Father Coughlin's Weekly Review

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Rebuke to President In Report to Senate

Vice President Garner Breaks With Chief in Row Over Court

Ordered to Aid Plot, He Goes Home

From the Capital Staff of SOCIAL JUSTICE

WASHINGTON, D. C.—Vice-President John N. Garner has broken with President Roosevelt.

That's the real lowdown on his sudden and mysterious departure from Washington for his home in Texas.

Rumors to the contrary — that Garner wished to avoid breaking a possible tie vote on the court bill in the Senate, that his wife was ill, that he was "fed up" with the grind of business and wanted a rest —are poppycock euphemisms to hide the most serious personal rift the president has experienced in his White House career.

The devastating truth is that the vice-president was not "fed up" with business— but with Mr. Roosevelt.

Follows Row Over Court Bill

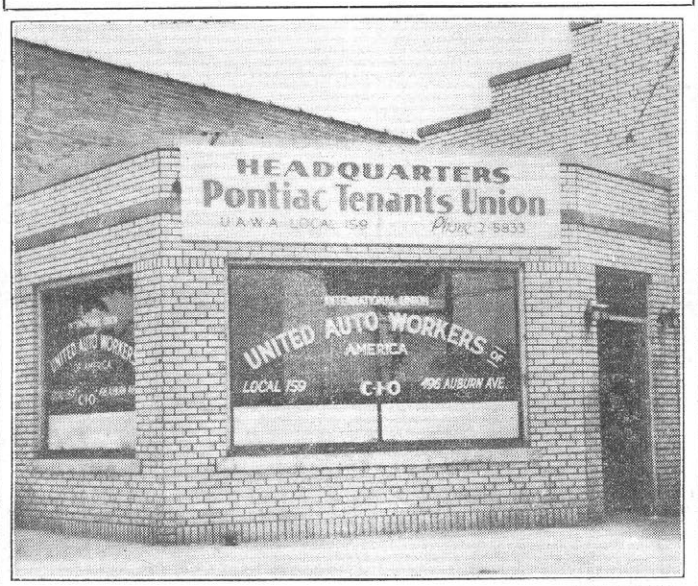
"Cactus Jack" walked out in a high temper after a hot row with the president over the court bill. SOCIAL JUSTICE has learned from close friends of Garner that he threw up his hands in disgust when his chief refused to yield gracefully in the court fight and allow party wounds, caused by the controversy, to heal.

In vain he tried to convince the president that sentiment in Congress was overwhelmingly against the pack bill, that it was both useless and dangerous to continue the fight in the face of this opposition.

The showdown came in the last conference between the two leaders. Garner was called to the White House to advise on strategy after the Senate

(Continued on Page 6)

U. A. W. Rent Strike Backfires



—Acme newspicture.

Because so many members of the United Automobile Workers in Pontiac, Michigan, are themselves landlords who had filed eviction actions against delinquent tenants, the union's project for a nationwide renters' strike has kicked back at the agitators from a completely unexpected angle.

There was enough dissention in the ranks of the U. A. W.—with its epidemic of "unauthorized" strikes defying its own signed promises—without this new complication. So, on orders from C. I. O. headquarters in Washington, D. C., the pretty letters will have to come off this attractive little office in Pontiac.

It has been announced that the U. A. W. is withdrawing as sponsor of the renters' sitdown, and will turn that too-hot-to-handle idea "over to a separate organization to be known as the "Pontiac Renters and Consumers League," or something like that.

The Pontiac Tenants Union, as local 159 of the United Automobile Workers of America, opened the above headquarters at 496 Auburn avenue, Pontiac. Advertisements in the local newspapers called upon union men to quit paying rent. The "sheriff can't evict 22,000 rent strikers" was their motto. The idea was to demand that all owners accept a dollar a month on each $1,000 of valuation as rent; and they also intended to see that values were brought down to what they called "reason."

Then up jumps this complication of earnest hardworking American union men in Pontiac who actually own and sub-rent homes. As one radical was heard to comment on the abortive revolution last week:

"What kind of a proletariat is that?"

Court Pack Plot Hit by Committee

The Judiciary Committee of the United States Senate, by a vote of 10 to 8, has repudiated Mr. Roosevelt's proposal to pack the Supreme Court.

The Committee summarized its objections to the bill as follows:

"1. The bill does not accomplish any one of the objectives for which it was originally offered.

"2. It applies force to the judiciary and in its initial and ultimate effects would undermine the independence of the courts.

"3. It violates all precedents in the history of our government and would in itself be a dangerous precedent for the future.

"4. The theory of the bill is in direct violation of the spirit of the American Constitution without the people's consent or approval; it undermines the protection our constitutional system gives to minorities and is subversive of the rights of individuals.

"5. It tends to centralize the federal district judiciary by the power of assigning judges from one district to another at will.

"6. It tends to expand political control over the judicial department by adding to the powers of the legislative and executive departments respecting the judiciary."

Senate Says It With Softer Words

In language more polite than that employed by Father Coughlin at the Cleveland convention of the Townsendites, the Senate Judiciary Committee officially brands Mr. Roosevelt, the author of the proposal, as one who plays loose with truth insofar as he presented to Congress a bill **"In most intricate form and for reasons that obscured its real purpose."**

In writing its opinion, the Senate Judiciary Committee

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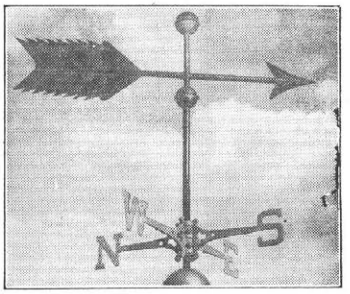


THE INDICATOR

By Father Coughlin

PRESIDENT ROOSEVELT has definitely given his benediction to the chaotic disorder which is so universal in the American industrial world.

Without hedging or without endeavoring to dodge the issue, the President has lined up 100 per cent with John Lewis and the C. I. O.

* * *

To the Washington news reporters he said that he saw no reason why the Republic Steel Corporation should not sign a contract with the C. I. O., and inferentially condemned the Republic Steel Corporation for its opposition to John Lewis.

On the other hand the Republic Steel Corporation maintains that it is not opposed to collective bargaining, but that it is positively opposed to signing a bargaining contract with the C. I. O. as long as the latter remains unincorporated, and as long as it is not responsible for any mutual bargains made.

* * *

The officials of the Republic Steel have an unassailable basis for their argument. They point to the bargaining contract signed by General Motors Corporation with the C. I. O.—a bargaining contract which the C. I. O. failed to respect after it was signed!

* * *

In this General Motors-C. I. O. contract it was stipulated that there would be no more strikes in that branch of the automotive industry for six months. In the interval **more than 37 strikes have been implemented by the C. I. O. despite the contract.**

In other words, John Lewis and his associates have treated their contract as a scrap of paper and have proven themselves to be irresponsible bargainers.

The Republic Steel Corporation definitely intimated that if and when the C. I. O. will become incorporated, and thereby become responsible for its contracts before the courts, the Republic Steel Corporation will be glad to sign a contract relative to labor bargaining.

* * *

In giving his benediction to the C. I. O. and its activities, Mr. Roosevelt has clearly indicated to the nation that our Chief Executive condones the mob rule which has superceded peace and order in America.

FOR several months the citizens of industrial states have been subjected to an absolute tyranny headed by John Lewis and supported by the President of the nation, as it is now revealed. Unhappy Michigan witnessed its red-headed governor protecting the red activities of known Communists in upsetting the Constitution of the state in more than one respect, presumably at the behest of the American Stalin, John Lewis, and his smiling supporter, Franklin Roosevelt.

* * *

Boldly the spokesman for the C. I. O. said to the Republic Steel Corporation: **"Four departments of the United States government are fighting on our side!"** He had reference to (a) the Labor Department, (b) the Post Office Department, (c) the National Labor Relations Board and (d) the Inter-State Commerce Commission.

He could have added a fifth department, namely, the executive.

(a) The Labor Department is completely dominated by Lewis. (b) The Post Office Department refuses to deliver food by parcel post to the employes in the besieged mills. (c) The National Labor Relations Board takes the position that it cannot lawfully intervene unless requested by employes. (d) The Interstate Commerce Commission has pleaded lack of jurisdiction to protect the railroads from the tearing up of their tracks at the steel plants by the strike pickets.

And the President has said, "Amen," to all these activities.

* * *

Meanwhile, the automotive branch of the C. I. O. threatens to call a strike covering the entire industry because the motor manufacturers, as they say, use scab steel.

Already Lewis has called a strike in the coal-mining industry to prevent steel from operating.

Thus, a man unelected by the people to any governmental office, **and unelected by the laborers to the office which he holds as head of the C. I. O.**, has risen as a dictatorial tyrant. Today he stands supreme in the United States of America, as he dominates the government, the courts, the industries and the farms of the country. He preaches rights and scoffs at duties. He prates of freedom as he imposes his sole will upon a subservient people.

This could never happen, if a president true to his oath of office sat in the chair once occupied by a Washington and a Lincoln.

THE entire power of John L. Lewis rests upon the error that might is right. His unholy technique is related to class warfare.

No different from Stalin, he preaches economic liberty to the masses only to transfer his preachments into a rule by man and not by law.

Unfortunately his prototype, Stalin, ruthlessly murdered eight high officers in the Russian army because their opinions did not coincide.

Soon the laborers in America will recognize what is in the offing for them.

* * *

No one defends the years of exploitation practiced by the Republic Steel and other corporations. Nevertheless, no thoughtful citizen will attempt to rectify industrial slavery by imposing its twin, political slavery, upon a democratic people.

* * *

SOCIAL JUSTICE is not opposed to Christianity. Nevertheless, it will not sustain the proposition that Mohammed should direct the destinies of Christianity.

No one is opposed to labor unions or to economic freedom. But only a half-wit will applaud a John L. Lewis regulating the destinies of the American working man by such methods as are current.

* * *

Out of this turmoil has arisen the most momentous question: "When must a citizen respect a chief executive, a state's governor, or any other elected official?"

The answer is brief: As long as the chief executive or a governor supports the Constitution which he swore to support, the citizens are obligated to respect, to honor and to obey him. **When a chief executive or a governor tramples upon the Constitution, he surrenders his right to respect, to support and to obedience.**

* * *

If class has been stirred against class, if tyranny has been substituted for democracy, it is high time that all sane-thinking citizens will put aside their accidental differences of opinion and their well-conceived remedies for prosperity as they join hands to oppose valiantly the unelected and the elected tyrants who have rebelled against law and order.

In this sense these citizens are not rebels any more than were Washington and his compatriots rebels when they rose up to throw off the yoke of a George III. The real rebels are the Lewises and the oath-breakers who have stolen into political office as a thief steals into your house.

National Co-ordinator Named For Social Justice Councils

Walter Baertschi, Toledo, Will Keep In Contact With Local Moderators

The National Union announces the appointment of Walter Baertschi of Toledo, Ohio, as the National Co-ordinator of Social Justice Councils.

Mr. Baertschi will work directly out of the main office at Royal Oak, Michigan.

At a later date, possibly two or three other gentlemen will be appointed to co-operate with Mr. Baertschi.

In an adjacent box there is printed a pertinent biography of the new National Co-ordinator.

Already numerous Social Justice Councils have been established under various names. Many have called themselves "study clubs." Others were described as "Coughlin clubs," etc.

"Social Justice Council" Club Name

It is requested that all these organizations will immediately become "Social Justice Councils" and preserve their present local names only for local use.

Hundreds of interested persons are in the process of forming new Social Justice Councils.

Be it emphasized that a Social Justice Council is nothing more than an assembly of Christians—both Catholic and Protestant—who profess allegiance to the sixteen principles of social justice and who are willing to undertake the task of promoting the 16-point action program in their local states, counties and municipalities.

Politicians, be they good, bad or indifferent, may not belong to a Social Justice Council.

No elected officers will be tolerated in any Social Justice Council.

It will be Mr. Baertschi's duty, in co-operation with Father Coughlin, to appoint a "Moderator" and an "Advisory Board" for each Social Justice Council. In this way internal politics, which have proven to be a devastating disease in the National Union, will be prevented from gaining a foothold.

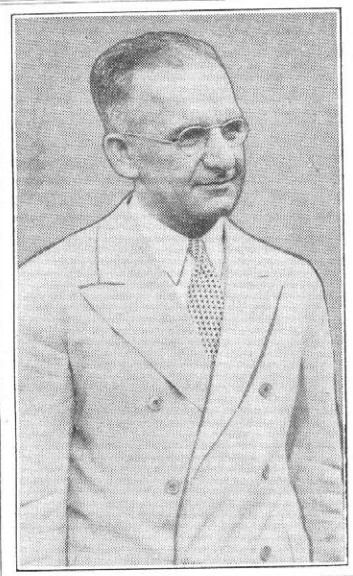
People Can Write Own Laws

Once more it is repeated that the National Union is not dead, nor are its principles forsaken. It is being re-established on a saner, sounder basis. Each Social Justice Council will be affiliated to the National Union.

No political party or no candidate for political office will be endorsed by either the National Union or by its affiliates, the Social Justice Councils. The officers of the National Union have arrived at the conclusion that it is practically impossible to achieve results directly through politicians. It has been observed that the most efficacious way to bring about social justice is through the means of the **citizens themselves writing the basic laws and placing them on the ballot to be voted for at the election.** This method is known as the petition method.

In other words, it is permissible in any state in the Union for a group of citizens to have a proposed law written upon the ballot, provided a certain number of citizens' signatures can be obtained. In this way it is possible to go "over the heads of the politicians" and to instruct them even before their election, and independent of their election, what must be done.

For the information of the millions who still believe in social justice, this new arrangement of the National Union will not force Father Coughlin to become a follower of millions of members who can legally insist that he will abide by their will. It will enable the members of Social Justice Councils to follow him and to put into practice in their own communities the social justice philosophy which he preaches and teaches.



National Co-ordinator for Social Justice Councils

Walter Baertschi was born in 1889 in the state of Ohio. He was graduated from the Toledo public schools.

When he was 19 years old he was engaged in professional baseball. He won fame for himself as a pitcher on the St. Paul club of the American Association. When he retired from baseball at 22, he entered the field of real estate.

He lives outside Toledo on a beautiful 57-acre estate. He married Mildred Johnson in 1911. There are three beautiful children in the family.

In the field of economics he was and is president of the Depositors' Protective Association for the City of Toledo. He has proven to be one of the most successful organizers in Toledo, being identified with the Community Chest and the Y. M. C. A. building activities.

Why Form a Social Justice Council--How Establish It

It is evident to every thinking man and woman that modern capitalism is dead and buried. This nation will never go back to Hooverism. The workman and the farmer of this nation will no longer be patient under the yoke of a less than a living wage. More than that, the American people now know the score. They realize that they have worked hard for their money either in a factory, a mine, a trawler, or on a farm, while the bankers were creating it with wide flourishes of a fountain pen.

That time of financial slavery is through forever in this land of the free and of the brave.

We Pursue Sane Middle Path

However, the Christians of America are determined that they need not sacrifice their political rights and liberties in favor of any kind of collectivism. They prefer to eradicate usury and preserve their rights and liberties.

On the other hand, while Hooverism and its modern capitalism is gone forever, it is more apparent than ever that we are steering pell mell into the ditch of New Deal Communism which has done everything within its power to destroy our Constitution, our love for law and order and our social liberties, as it bends over backwards in preserving intact the private creators of money.

In other words, the followers of social justice are in the middle. On the extreme right are the modern capitalists and on the extreme left are the New Dealocrats. Both of them appear to be hostile to our views.

Believing that the majority of the so-called middle class in America are dissatisfied with both the extremes, it is necessary for the followers of social justice to take counsel together and pursue the 16

(Continued on Page 7)

Fr. Coughlin's Warnings Justified

Since the Supreme Court issue has arisen, it has become evident to a multitude of Americans that the warnings issued by Father Coughlin last year were not idle. Twelve months ago, it was incredible to believe him when he maintained that Mr. Roosevelt had Communistic tendencies and was affiliated to Communistic leaders. Twelve months ago the most ardent supporters of the President of the National Union actually winced when he was prophesying industrial disorder and general strikes.

Twelve months ago, Father Coughlin was rightfully regarded as a pessimist when he was pointing out the dictatorial tendencies of the New Deal leader.

Time has proven the soundness of these assertions. Time has also proven how futile it was for the New Deal to bring back prosperity through a program of destruction. Time has clearly demonstrated that there can be no prosperity without financial reform.

Mr. Roosevelt and his cabinet have attempted to do everything under the sun to bring about prosperity, **except to restore to Congress its right to coin money and to insist that Congress regulate the purchasing power of the dollar.** Until this financial reform becomes an actuality, a million social reforms will be worthless.

Must Save Nation From Bank Racket

Today it is more apparent than ever that the cause of our sore economic plight is traceable directly to an infamous money system.

In other words, **this nation is not working for itself. It is working for the bankers.**

Now if labor needs capital and if capital needs labor, why cannot banks be established in every state wherein a great corporation like General Motors, will be compelled to make its deposits for the welfare of its workers instead of for the welfare of the private coiners of money?

Capital needs labor and should work for the welfare of labor instead of for the welfare of the Federal Reserve bankers.

The above is only a sample of the objectives which will engage the attention of Social Justice Councils.

In selecting Walter Baertschi to be the National Co-ordinator of Social Justice Councils, Father Coughlin has chosen a man who has been most successful in this work. For years he was the religious educator for the young people at the Collingwood Presbyterian Church in the city of Toledo. He is thoroughly acquainted with the problems and the program of social justice. More than that, he has been a most successful business man in the field of real estate and holds in abhorrence the professional politician just as much as does Father Coughlin.

A Correction

In spite of every editorial precaution in the preparation of SOCIAL JUSTICE, there is no special magic which preserves this paper from those typographical inadvertencies which are the bane of published effort. Omission of the important word "not" in last week's "INDICATOR" — while obviously plain to anyone who has ever read two copies of SOCIAL JUSTICE—nevertheless, destroyed the whole sense and tenor of the editorial, making the author, Father Coughlin, say just the opposite of his intention—and his copy.

The offending sentence should read:

"If the doctrines or the practices of the Brahman, the Mohammedan or the Jew are not in harmony with Christ's doctrines 1,000 per cent, we are **not** anti, even though the enemies wish to call it so."

Because of the press-time for SOCIAL JUSTICE, this correction is made as last week's edition is going on sale, a more complete statement of the paper's position on anti-Semitism appears on the editorial page of today's edition.

—Editor.

SOCIAL JUSTICE

FATHER COUGHLIN'S WEEKLY REVIEW

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PRINCIPLES OF SOCIAL JUSTICE

1. **Liberty of conscience and education.**
2. **Just, living, annual wage.**
3. **Nationalization of important public resources.**
4. **Private ownership of all other property.**
5. **Control of private property for public good.**
6. **Abolition of Federal Reserve Banking System and establishment of a government-owned Central Bank.**
7. **Restoration to Congress of its sole right to coin and regulate the value of money.**
8. **Maintain cost of living on an even keel.**
9. **Cost of production plus a fair profit for the farmer.**
10. **Labor's right to organize.**
11. **Recall of non-productive bonds.**
12. **Abolition of tax-exempt bonds.**
13. **Broadened base of taxation on basis of ownership and capacity to pay.**
14. **Simplification of government and lower taxes.**
15. **Conscription of wealth as well as men in event of war.**
16. **Sanctity of human rights preferred to sanctity of property; with government's chief concern for the poor.**

Is Social Justice Anti-Semitic?

IMMEDIATELY thousands of persons will begin asking themselves and their neighbors the question which captions this editorial.

A formal and official answer is herewith submitted:

Neither the National Union nor the Social Justice Councils are in any sense anti-Semitic or anti-anything-else. This is not a negative movement. It is definitely positive.

It is true that membership in Social Justice Councils is limited to Catholics or Protestants who believe in the divinity of Jesus Christ and in His principles. Specifically, a member must believe in the brotherhood of Jesus Christ and in the peculiar Christian teaching that whatsoever we do to the least of His little ones, we do unto Him.

Thousands of Jews are Christians. In fact, Christianity was originated by the Son of David and was propagated by Christians who were born of the Jewish race.

In other words, it is obvious that the Social Justice Councils do not exempt Jews because of their nationality. It merely limits its membership to Christians, irrespective of their nationality, and as long as they believe in the basic doctrine of Christianity as expressed above.

If and when the Jewish religionists, the Brahmin religionists, the Mohammedan religionists and others, openly profess the divinity of Christ and the basic doctrine that if we exploit our fellow man we exploit Christ; if we cheat our fellow man we cheat Christ—on that day membership in Social Justice Councils will be extended to all of them.

Until then, they would be hypocrites to join Social Justice Councils when they do not believe that what we do to our fellow man we do absolutely to God. This is a peculiar and unique Christian doctrine. It has not been received officially by any other world-wide religion.

Be it reiterated that there is a distinction between a Jew, the nationalist, and a Jew, the religionist. Christianity is limited to no nationality. Within its scope it embraces Germans and Jews, Indians and Chinamen, Russians and Irishmen, Poles and Italians—all nationalities, and all on an equal basis.

They who accuse the National Union or Social Justice Councils of being anti-Brahmin, anti-Mohammedan or anti-Jewish are merely looking for an issue that does not exist. Like nervous old maids, they are searching for the burglar under the bed.

Christians are opposed to no nationality and no individual. Christianity embraces French and Japanese, Jewish and Germans, and all other nationalities within its fold. By limiting the membership of Christians to Social Justice Councils, we are in no wise exempting Jewish nationalists any more than we are exempting Irish nationalists. True Christians hope to bring the blessings of Christianity to all within its fold, as well as to all outside its fold.

Jews have nothing to fear from Christians or from Social Justice Councils. If a Hitler ever raises his ugly head in this nation, real Christians and the members of Social Justice Councils will be the first to protect the Jews.

The Wagner Act Breaks Down

JUST a short few weeks ago the Supreme Court declared the Wagner Labor Relations Act constitutional.

Last week inexorable fate declared it a failure.

From the day this New Deal panacea for all industrial ills received the stamp of approval from the nation's highest court, events have borne home to the citizens of this country two great truths:

1. The Labor Relations Act has not prevented the severest wave of strikes in the nation's history.

2. The C. I. O. union leadership would rather terrorize the people and unsettle the peace and prosperity of the nation by warlike strikes, than submit their differences with industry to established law.

The dominant fact about the steel strikes is the refusal of John Lewis and his henchmen to call for peaceful elections under the Wagner Act to determine whether or not the S. W. O. C., an affiliate of the C. I. O., has a majority in the steel plants now tied up by strikes.

The responsibility for utilizing this peaceful means of avoiding devastating labor warfare rests squarely on John Lewis and his organization. The law was so framed that labor, and labor alone, could set in motion the machinery provided by the Wagner Act.

The failure of John Lewis to call upon the new law, **the law that exists because organized labor wanted it,** is the final, conclusive demonstration that he considers himself above all law.

The situation in the steel industry became so menacing last week that President Roosevelt was forced to adopt an emergency measure to arrest the onward march of "organized disorder."

The appointment of the three-man board to "mediate" in the steel strike is an implicit official admission on the part of the New Deal administration that the Wagner Act is one of the most futile, unfair and dangerous laws ever passed by the Congress of the United States.

And it was to support such legislation that President Roosevelt wanted a rejuvenated Supreme Court!

How the Court could ever have approved as constitutional this law, which is patently discriminatory in favor of the special group called organized labor, is beyond the analysis of every capable and fair-minded lawyer in the country. But, in the object lesson given to a bewildered nation in its complete and now officially-admitted breakdown, the action of the Supreme Court may have been providentially guided.

The vast majority of the American people, today, want an end to the chaotic warfare now being waged by the C. I. O.—which threatens daily to bring first bloodshed, then ravaging terror-bred depression and ultimately anarchy.

Let us hope that the mediation board is successful in arresting the vicious strike wave in the steel industry.

The people will then have some feeling of security in the hope that a workable device has been found to stave off the disaster now threatening the nation at least until the next general election day.

Then the people can reverse their "great mandate" of November 3, 1936.

Then the nation can express its unalterable opposition to laws like the Wagner Act—and to executives who would "fix" the highest court in the land to the end that the Constitution might be made to fit such legislaion.

EYES and EARS

By Mark Meechan

"If the President wants a quick vote on his court bill, I believe it will be given, but if some compromise, of which we still know nothing, is offered, we will have to consider that carefully.

"To add even one judge to the bench, for the purpose of influencing the opinions of the Supreme Court, is wrong. We will oppose such a proposal as vigorously as we oppose the present bill."

THESE are the words with which Senator Burton Wheeler answered the President's press conference "hope" that he gets a vote instead of a filibuster on the court bill.

What Senator Wheeler says now means more than it ever has meant before, because he has been appointed leader by the Democratic senators who oppose the President's bill to "harness" the Supreme Court.

Wheeler's fighting spirit, reminiscent of the spirit of those who framed and solidified this republic, is revealed in his spontaneous retort when he heard the presidential taunt about a filibuster. Wheeler said:

"We are ready for the showdown. There will be no compromise. If necessary, we will stay here all summer!"

Those are fighting words which are worthy of going down in history with the fighting words of the greatest of our nation's leaders.

As we read the challenge of the leader of the opposition, we wonder if the American people realize how much meaning Senator Wheeler packs into the word "showdown."

The nation, whether it is aware of it or not, is about to witness a battle to the death between those who want to continue our government as it was founded by Washington and his associates, and those who would mould it after some European idea of absolutism.

Wheeler will lead the forces for Americanism.

The battleground will be the Senate because only there have men shown the courage to rise up against the encroachments of an individual upon the perfect balance of powers and duties which the founders of this nation devised to protect all Americans

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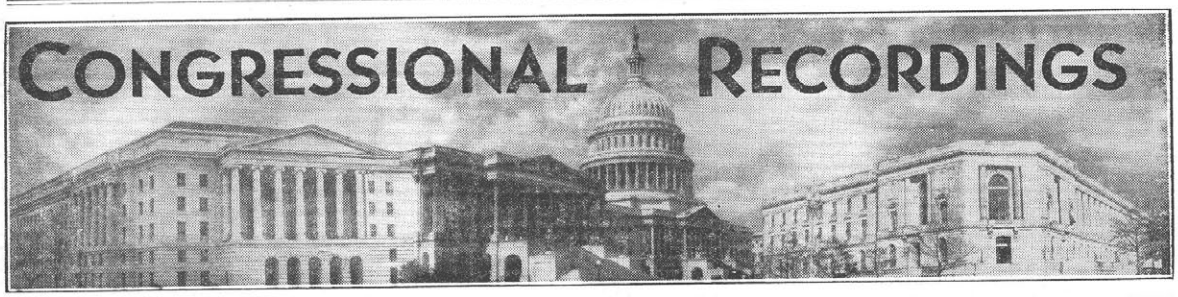


Banker Control Prevents Solution to Tax Problems

By T. Alan Goldsborough
Representative from Maryland

The people of this country have been tremendously misled about this question of taxes. They have been told that our taxes are away below the taxes paid by the people of Great Britain. Our people have been told that our taxes are much less than the taxes paid by the people of Germany and by the people of France, and they have been misled, because in these calculations only federal taxes in this country have been compared with governmental taxes in England, Germany and France. But when we add to the federal taxes our state and municipal taxes, which corresponding are negligible in those countries, we find that our taxation problem is nearly as serious as the problem in Great Britain, and much more serious than in Germany or in France.

On a basis of a ratio with Great Britain at 100, ours is 91, Germany is 87 and France is 77. **In the last four years our federal tax rates have increased 100 per cent, while the tax rates of Great Britain have increased only 5 per cent.** Whatever we may say, the tax problem is a problem that the American people have to solve, and they have to solve it promptly.

There is only one way to solve the tax problem and the problem of balancing the budget, and that is **to increase the consuming income of the country.**

All of the money of this country should be real money. **If it required $60-billion to transact the business of this country, we should have $60-billion.** The right of banks to create and destroy money by the system of fractional reserves should be done away with, so that our money could not be destroyed as it was between 1930 and 1934 to the extent of about $18-billion.

The federal government prints bonds, carries the bonds over to a bank. **The bank does not give back to the federal government anything,** but it sets up a credit on its own books to the extent of $100-million. Then the federal government can check on the account. That is all that happens. **The federal government which has everything, borrows $100-million from the bank which has relatively nothing, then lends it back to the bank by depositing it and begins to pay interest on it.** Is not that a nice business transaction?

It is perfectly evident that this is being done because of the tremendous influence which the banking system has always had on the federal government.

The banks are complaining about fiat money when they themselves by the creation of bookkeeping money out of nothing, **create fiat money all the time.** The difference is that in the one case, society is creating its own medium of exchange for **which it only has to pay once,** and in the other case it is paying the bank's principal and interest for something that the banks never lent to the government. **They never had it to lend.** The total capital, surplus, and undivided profits of all the banks of the country is less than $7-billion and yet the government is undertaking to borrow from these banks in the neighborhood of $20-billion.

When Mail Is Open It's Time To Investigate

By Hon. H. Styles Bridges
Senator from New Hampshire

Down through the years in this country there has been a tradition that the mails must go through. The federal post office inspectors and the authorities down through the years have built up a great reputation.

I do not quarrel with the post office department as to whether or not that department shall accept or reject regular or irregular mail. There may be some justification for its rejection or there may not be; but that is not the issue at stake. I can understand the feeling of the strikers at any particular plant in not wanting materials to go through to the men who are not on strike, but neither is that the point at issue.

The point is that according to the stories in certain newspapers **private citizens, who in this instance happen to be representatives of a striking C. I. O. affiliate, were permitted to censor the United States mails;** were permitted to inspect packages in the United States mails to see what they contained, and then to tell the postal authorities whether or not they could go through; in other words, **passing upon the type of mail that shall be accepted and delivered.**

If these statements are true, they present a situation which is a disgrace to this country and a reflection on the postal service which has had no major reflection cast upon it down through the years.

For Whole Story Investigate All Tax Evasions

By Hon. Hamilton Fish
Representative from New York

This administration has no financial policy whatever. If I were to indict an administration on one charge more than another, it would be that it has **no financial or fiscal policy.** The income tax law is an alibi, a red-herring, because the budget is not balanced. The president wants to blame the Congress for leaving these loop-holes and thereby establish **an alibi for not balancing the budget.**

The only financial policy of the administration that I can see is saving at home, and buying gold at $35 an ounce from nations that already owe us millions and billions, and paying twice the cost of production to these countries to enrich them and impoverish ourselves by adding to our deficits and increasing our already unbalanced budget.

While we are discussing the investigation of saving $300-million I call attention to the fact that you have taken $800-million out of the Treasury of the United States **since the first of the year** to buy foreign gold at $35 an ounce and bury it in the ground—gold which we do not need and for which we pay the British Empire and Soviet Russia twice the cost of production.

And while you are proposing to plug up these holes and stop tax evasion and tax avoidance, there are other income taxpayers besides those referred to in the President's message whose income you should also look into.

I suggest that the committee look at the income tax returns of the President. I am informed that he has deducted from his income tax the losses on his so-called farm at Hyde Park in my district in New York, which after all, is not a farm but a palatial residence and country estate, and also for losses on his cotton plantation in Georgia. If he has done that, **why should not others under the law, deduct from their taxes in the same manner?** If you are going to investigate anyone's taxes, I suggest that you investigate those taxes as well. At least these rumors should be verified or scotched.

Envoy Hopes to Cancel Europe's War Debts to U.S.

By Hon. J. Hamilton Lewis
Senator from Illinois

There will soon be in this capital, a representative of Belgium, its premier. He comes ostensibly for conference with the president of the United States. Belgium is one of the nations that are in debt to us.

The premier is being authorized to bring to the United States a suggestion that the principal debtors of the United States wish to follow out a declaration made by the former prime minister of England on April 10. Replying to a Labor party member of parliament who asked what was to be done concerning the debts due to the United States, before the prime minister resigned his office, Prime Minister Baldwin said:

"There has been some understanding that if the debtors of the United States can come together on some proposition that is practicable, it will be presented by the government of Great Britain, and if there can be formulated a proposition that is agreeable to the United States in behalf of all debtors, **it will be acted upon** concurrently."

The intimation is now made that the proposition must come from the United States, leaving upon the public mind the **impression that we are ready to suggest either the cancelation or lessening of the debts to such a degree as would make the payment ridiculous and ourselves contemptible.**

The money which our debtors possess has not been paid to us as it should have been, but confessedly has been expended for increased armaments and multiplied materials for multiplied wars. We must realize that such wars are for the object of defending these countries against attacks upon their constitutional government and what **they** feel is an assault on **their** democracy. When they defend their constitutional government and their democracy, **they say, they are defending the United States of Amreica** as we shall be the next in turn to be the object of destruction.

A practical assertion (that our honorable debtors cannot pay their bill or do not intend to) was made the other day in the House of Commons. When Mr. Chamberlain stated it was not fair to say that Great Britain had repudiated her debt, it created an uproar of laughter in the House of Commons, the House of Commons evidently being of opinion that they had already repudiated it. — Senator William Borah from Idaho.

It will be said that there is a trade treaty on the eve of being consummated by the State Department with these lands of our debtors, but particularly with England in behalf of Britain, which while **accepting favors from us,** extends to us only favors which give precedence and privileges to Canada and other commonwealths of Britain. The only thing the United States gets, **if we get anything at all,** is something that may come to us after the preferences have been supplied to Great Britain and her commonwealths.

These constant suggestions as to how this country is to be taken in hand and befuddled from time to time leaving us in the end with nothing paid, nothing promised and nothing done, should receive the protests of courageous spirits and a brave nation.

Any move that looks to surrendering the debt completely, or to the adjustment of it in a manner that robs us and continues to rob us to the degree that we are made the laughing stock of civilization and the object of the condemnation of common sense, should be interdicted.

We are all for peace. We should also be for the maintenance of the constitutional governments of the lands of these our debtors. Yet **we cannot be beguiled, trapped or tricked into the notion that we are being cheated for our benefit, and robbed for our profit.**

If this honorable body has in the past lent itself both to the gentle creation of ignorance and to the exercise of stupidity, it has learned its lesson from what it has been compelled to endure as the result.

Outstanding Tax Exempt Securities Are Biggest Field for Tax Avoidance

By Hon. Allen T. Treadway
Representative from Massachusetts

We have tried conscientiously to find loopholes in the tax law for years, and we have made great progress in that direction. The Revenue Act of 1934 was a loophole plugging bill. Tax evasions have been known ever since tax bills have been written. I do not believe this joint committee will be able to write new laws that will prevent further tax evasions.

The biggest field for tax avoidance is the tax-exempt securities now outstanding, which aggregate some 50 or more billions of dollars. The present Democratic administration has contributed about 14-billions to this total. There is no use wasting our time plugging up loop-holes in the income tax as long as wealthy persons can invest their money in state and municipal bonds, and wholly tax-exempt federal bonds **and thereby escape any taxation whatever.**

The president says that the taxes which are avoided by the wealthy must be paid by others, but this is equally true of the taxes which are avoided by investment in tax-exempt securities. If it is immoral to incorporate a yacht, why is it not immoral to invest in tax-exempt securities?

If the president is sincere in wanting to prevent tax avoidance he should forthwith suggest to Congress the submission to the states of a constitutional amendment which would do away with tax-exempt securities. Other methods of tax avoidance are but a drop in the bucket compared to the revenue that is lost from tax-exempt securities which must be made up by higher taxes for the people generally.

There is undoubtedly some analogy between the president's tax-evasion message and his share-the-wealth tax message of 1935. That, too, was a political gesture.

I want to see every honest debt that any citizen owes to the United States government paid, but let us not fool ourselves that by the appointment of a joint committee at the present time we are going to plug loop-holes that cannot later be unplugged by brilliant lawyers.

It is immoral and unfair to make promises to the people with no intention of keeping them. I think that is more immoral than not telling a few taxpayers they are trying to fool the government and are not paying a sufficient amount of tax into the Treasury.

That is what this administration has done time and again. It is too bad that **they are smart enough to fool the general voting public that way.** They have done it, and I will admit it. However, there must be an end to all "good" things. Possibly we may see the end of this.

Senate Committee Rebukes President

(Continued From Page 1)

has immortalized itself. June 14, 1937, will take its place alongside the original July 4th when the Declaration of Independence was signed at the Philadelphia Constitutional convention. The June 14th declaration states that the presidential Supreme Court packing bill **"is a measure that should be so emphatically rejected that its parallel will never again be presented to the free representatives of the free people of America."**

The signers of the report are:

J. C. O'Mahoney of Wyoming.

William H. King of Utah.

Patrick A. McCarran of Nevada.

Carl W. Hatch of New Mexico.

Edward R. Burke of Nebraska.

Tom Connally of Texas.

F. Van Nuys of Indiana.

William E. Borah of Idaho.

Frederick Steiwer of Oregon.

Warren R. Austin of Vermont.

Insofar as seven of these gentlemen are members of the Democratic party, it is most significant that the Democratic party is irrevocably broken.

Another Coughlin Warning Recalled

Last October, Father Coughlin was telling the American people that Franklin Roosevelt, James Farley, Frank Murphy, etc., were not to be regarded as Democrats but as "Deal-o-crats" — gentlemen making deals with the Dubinskys, the Hillmans, the Communists, the Socialists and the radicals of America for the sole purpose of having themselves elected to power and to patronage.

Add to all this the fact that John Nance Garner, the Vice-President of the United States, has broken with Mr. Roosevelt and the Democratic party, as he prefers patriotism to partyism and principles to politics.

The document which rejected the President's bill labeled it **"as needless, futile and utterly dangerous abandonment of constitutional principle."** It further says of this un-American bill that it "stands now before the country, acknowledged by its proponents as a plan to force judicial interpretation of the constitution, a proposal that violates every sacred tradition of American democracy."

Never before has such an administration bill been so stoutly condemned or so severely criticized in all the annals of all the Congresses of the United States. Its design is to create the dictatorship which Father Coughlin warned the nation about last year. Its purpose is to adulterate the courts of the land with "a flying squadron" of yes-men at the command of the dictator to flit from court to court throughout the nation and give an unholy benediction to class legislation, to unconstitutional laws and to the murdering of rights.

General Strike Only Step Still Left

Meanwhile the President, in sadistic mood, will carry on. **The general strike, the brain child of the Frankfurters and the radicals, will be called, if necessary, to create national unrest and thereby give the Chief Executive an excuse for declaring martial law,** which means that the Constitution is suspended and that Congress will be indefinitely retired, thus ending any contemplated filibuster, and thereby creating a dictatorship in fact, if not in law.

Quoting from the senatorial indictment of the President we read that the President said on a previous occasion:

"We have, therefore, reached the point as a nation where we must take action to save the Constitution from the Court and the Court from itself. We must find a way to take an appeal from the Supreme Court to the Constitution itself. We want a Supreme Court which will do justice under the Constitution—not over it. In our courts we want a government of laws and not of men."

Commenting on these words of the President's, the Senate report continues:

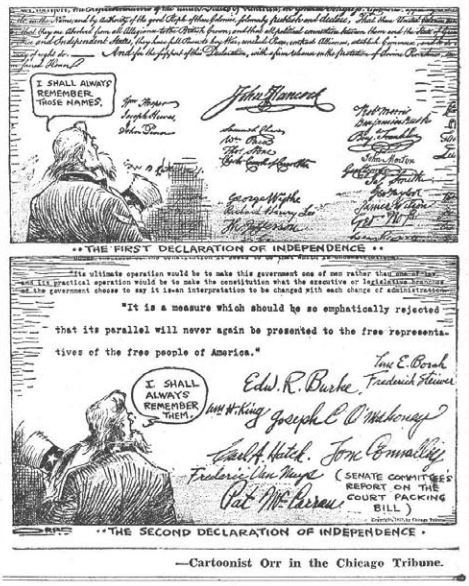
"These words constitute a charge that the Supreme Court has exceeded the boundaries of its jurisdiction and invaded the field reserved by the Constitution to the legislative branch of the government. At best the accusation is opinion only. It is not the conclusion of judicial process.

"Here is the frank acknowledgment that neither speed nor "new blood" in the judiciary is the object of this legislation, but **a change in the decisions of the Court—a subordination of the views of the judges to the views of the executive and legislative,** a change to be brought about by forcing certain judges off the bench or increasing their number."

Those, therefore, who desire a dictatorship under the bludgeon of John L. Lewis will support the President. Those who desire to retain our democracy and to fight for social justice under the Constitution will oppose the program.

June, 1937, has only vindicated what was told to the American people for the last two years by Father Coughlin.

Great American Documents


I SHALL ALWAYS REMEMBER THOSE NAMES.
"THE FIRST DECLARATION OF INDEPENDENCE"
"It is a measure which should be so emphatically rejected that its parallel will never again be presented to the free representatives of the free people of America."
I SHALL ALWAYS REMEMBER THEM.
(SENATE COMMITTEE REPORT ON THE COURT PACKING BILL)
"THE SECOND DECLARATION OF INDEPENDENCE"

—Cartoonist Orr in the Chicago Tribune.

Friends and Neighbors of the Toledo Social Justice Council will meet Sunday afternoon, June 27, at 3 p. m. in Walbridge Park at the band stand. Senator Rush D. Holt has been invited to attend this meeting. Walter Baertschi will outline the program of action for Social Justice Councils.

Vice President Garner Walks Out on New Deal

Continued from Page 1)

judiciary committee had issued its scalding majority report in condemnation of court enlargement.

The fireworks were touched off when F. D. R. indicated that he expected the vice-president to continue to support the bill.

This Garner refused flatly to do. Rigidly regular in parliamentary tactics, as the president of the Senate should be in a democratic government, he told Mr. Roosevelt that he could not in principle support a measure which the judiciary committee had rejected.

When the president would not accept this as a satisfactory explanation, a clash followed, during which Garner declared in so many words that he was "through." He left town shortly afterward.

The vice-president has been opposed to the pack bill from the start. So have his close friends, including Senators Tom Connally of Texas and Peter G. Gerry of Rhose Island. That he was forced to support the bill while they openly opposed it was not to his liking, and he has said so privately a number of times.

Administration spokesmen term the vice-president's absence as an "indefinite" leave, which ought to give mediators plenty of time to re-establish harmony.

The present breach has been aggravated no little by Mr. Roosevelt's adamant support of John L. Lewis, C. I. O. strike leader. Garner never has liked Lewis nor the gang of radicals that compose his labor organization.

Garner's views provoked a White House scuffle shortly after the president returned from his fishing vacation in the Gulf of Mexico. The General Motors "sit-down" strike was raging in Flint about that time, and Garner urgently requested the president to intervene.

His refusal to comply, according to reports, caused a heated exchange of opinions, interpolated by some desk pounding on the part of the vice-president.

Ohio Sets Pace For Councils on Action Program

Social Justice Councils, already organized in the state of Ohio, are working to bring about the fulfillment of the following program for the state, the county and the city:

1. **By the process of amending the Constitution of the state, and by the process of writing upon the ballot, through petition, definite legislation to be voted upon, not by the legislators but by the citizens at large, it is the aim of the Social Justice Councils in Ohio to bring about:**
   - (a) **A modernized system of taxation.**
   - (b) **A unicameral legislature.**
   - (c) **A state bank for the benefit of all the citizens, which will charge no more than 1½ per cent interest on loans.**
2. **It is the aim of Social Justice Council for the County of Lucas, Ohio, to bring about the following reforms:**
   - (a) **A manager form of government.**
   - (b) **The abolition of useless county governments and the unification of several counties under one county government.**
3. **It is the aim of Social Justice Councils in the City of Toledo, Ohio, to bring about:**
   - (a) **A municipally owned light and power system.**
   - (b) **A municipally owned gas system.**
   - (c) **A municipally owned motor bus system.**

Early Entrant Can Add $750 To Contest Prize

There is little question that, as a reader of SOCIAL JUSTICE, you will enter our **"KNOW AMERICA" Contest.** But there is a very considerable question as to how much you can win. Now, we are assuming here that you will be winner of the Grand Prize. Whoever you are, man or woman, boy or girl, you CAN win the Grand Prize of $2,750.00

Now, if you delay your entrance into the great competition longer than 10 weeks after the start—and that's "just around the corner," the very most you can win is $2,750.00. No puny sum of money, we'll admit, but it is possible for you to do much better than that.

Computing for winners in our "KNOW SOCIAL JUSTICE" Contest recently closed is proceeding with satisfactory rapidity. It must be remembered accuracy is the main objective in this great task. Every file has to be inspected and reinspected so as to remove as far as humanly possible the chance of error. Results will be announced, together with the judges' selections of answers, as soon as the returns of every person in the contest have been carefully gone over.

There is a Promptness Prize of $750.00 to be awarded to the winner of the Grand Prize who becomes a contestant before the first 10 weeks of the contest have expired. That is only eight weeks off. If you should come out on top, and if you are in early—$3,500.00 will come your way.

The really smart thing for you to do is to ENTER RIGHT NOW, and get started. Winning a SOCIAL JUSTICE Contest is not as easy as "shooting fish in a tub." Far from it. To win you must THINK. You can't resort to snap judgment on several of the questions which will be put. Therefore, it seems to us better for a person to enter early and give a certain amount of thought to each week's pair of picture-questions.

What do you think?

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America Prosperous, No Chance For Dictator, Newspaper Theme

The prize of the week for utter dumbness and gullibility of the great American public—or, what's worse, the most insidious journalistic propaganda—is the "canned" editorial which a lot of little papers throughout America printed as their own editorial utterance.

For, as many small town readers do not know, the feature syndicates now provide editorials as well as the illustrated articles for these home town papers. The lazy editor gets better editorials than he probably has the ability to produce and, since there is none to challenge him, often gets away with the pretense among his fellow townsmen that he's quite some Greeley, or Dana—if, indeed, he's ever read of those editorial pioneers.

The particularly vicious angle of this sort of propaganda is its disguise. Readers are off guard, so to speak, and with confidence in their home town paper are easily "regimented" in their thinking, from Maine to California, by an unidentified and irresponsible central service which does their thinking for them.

The latest—and the rawest in many weeks—is this widely quoted editorial observation that all's well with this best of all possible worlds. Prosperity is here and dictators do not have a chance! Readers of SOCIAL JUSTICE, in hundreds of little towns, read this editorial message as the work of their home town editor, last week.

See if these quotes are not strikingly familiar:

"It would be interesting to know just what red-hot trail has been engaging the noses of the esteemed public servants who have recently announced that they smell the smell of an approaching dictator. The common burden of complaint is that a dark man is about to cross our path, full of strategems and devious notions, ready to abolish our liberties the moment we happen to look the other way

"This might be convincing if it were not for the fact that the ordinary American is altogether too busy these days to worry about it. **And that fact, in itself, is a surefire defense against dictatorship.**"

In other words, dear reader, **unawareness of a national peril is a "surefire defense against it."** That's what YOUR EDITOR says. Here's another gem:

"For dictatorships are never brought about by someone's secret plotting. The plotting takes place, of course; but it has to be built up on widespread public confusion, alarm and desperation. If the people generally don't feel that an abyss is yawning right in front of them, ready to swallow them unless something drastic is done, the plotters won't get to first base.

"What sort of conditions have we in the United States today?

"The dark fears of recent years are gone. The country is going back to work. Factory chimneys are smoking, the railroads are busy once more, mines are going full blast, the unmusical noise of riveting hammers is beginning to be heard again, the auto industry is working full time trying to keep up with the public's orders, farmers are making money and real estate salesmen are once again able to look their wives in the eye."

Mines in full blast? John Lewis is shutting them down!

Auto industry working full time? A dozen plants are now **idle for want of orders**; buying power is disappearing!

Farmers making money? For the first time in 50 years?

Real estate salesmen look wife in the eye? Noble souls!

In what small town in America is one of the statements a fact? Not in YOUR town. You know.

Here's the rest of it:

"The ordinary American has things on his mind, to be sure. He would like to know whether the Athletics can stick around the top of the American League much longer. He is curious about Jim Braddock's chances against Joe Louis. He is trying to decide where he'll go on his vacation. He is about to turn his old car in and get a new one, and he hasn't quite made up his mind which make to select.

"When men's minds are running in those channels, the country is as **safe from dictators** as the most ardent Republican can ask.

"A prosperous people never had a revolution and never will. The time to worry—the only time to worry—**is when prosperity has vanished and people are beginning to fear that it will never come back again.**"

When was their fear more justified?

The only fiction of recovery that America has had under New Deal desperation has been created by **a borrowed interest-bearing debt to the bankers**—a debt that is already unpayable in its proportions.

When the editors of the "Littletowns" of the land discover these facts—**it will already have been a year too late!**

But, continues the editorial syndicate—

"Then, as in the early 1930's demagogues like Long, Coughlin and Townsend get a hearing. Desperate people are willing to listen to desperate men talk of desperate cure-alls; busy, hopeful people are not, and never will be.

"As long as we are riding the recovery wave we have nothing whatever to fear from men with dictatorial designs."

All right, are we riding the wave of recovery?

The readers of SOCIAL JUSTICE can write a better reply to this editorial than can the "Littletown" editor. They're better informed.

SOCIAL JUSTICE does not subscribe to the dismal belief that hope for America is doomed. But if it is not, it will be due to the good sense of the American people who are aware of their peril and who rise up to get something done about it. Not because they are happily unaware of danger, or that the long looked for prosperity is actually with us.

NEWS CARTOONS OF THE WEEK

—Cecil Jenson in Chicago Daily News.

What the "T" Stands For

—Bruce Russell in Los Angeles Times.

"Behind the 8 Ball!"

Why Form Social Justice Council - How Establish It

(Continued from Page 3)

principled ideal for which we stand.

That is why it is necessary to establish Social Justice Councils under a common leadership, as together we wash our hands of all politicians. Politicians, by the way, are interested only in their salaries, and in keeping their jobs by following the majority of the people. They are not interested, except on rare occasions and in few instances, in sacrificing their patronage, their salaries and their positions for what is right and constitutional and Christian.

Save Christianity And Constitution

How form a Social Justice Council? The beginning is easy. Simply telephone a dozen of your immediate friends who believe in these principles. Assemble them in one group. Come to a common agreement that you are going to stand together **to defend the Christian principles of social justice and the Constitution of the United States of America against all opposition, come what may.**

Possibly, 30 or 40 such groups will organize, will be doing the very identical thing at the same moment you are.

Designate one from your number to write to Father Coughlin that you have organized temporarily this Social Justice Council. There is no need of your sending the names and addresses of those with whom you take counsel.

Upon receipt of your confidential message, Father Coughlin, both through himself and Mr. Baertschi, will communicate with you and will arrange, if convenient, to have your council and all the councils in your neighborhood or city or county meet at a specific place and a given time for purposes of co-ordination.

Simple, isn't it? It requires only the abandonment of selfishness and the realization that the greatest and most important work confronting the National Union is to be accomplished within the next two years.

It's Social Justice Or Communism

It further requires an appreciation that **if social justice does not win in this contest, Communism most certainly will win.**

It further requires a picturization in your mind of what kind of a country will be handed down to the children of this generatino.

Shall it be a country of want in the midst of plenty? Shall it be a country of chaos over Christ?

Shall it be a country of Communism feasting upon the dead bones of Christianity?

Shall it be another Spain?

Shall the manifesto of Lenin or the gospel of Jesus Christ regulate our destinies after 1940?

You were slow to believe Father Coughlin's prophecies in 1935 and 1936. **These prophecies are now in the realization.**

Will you be slow to believe what he now says about America after 1940?

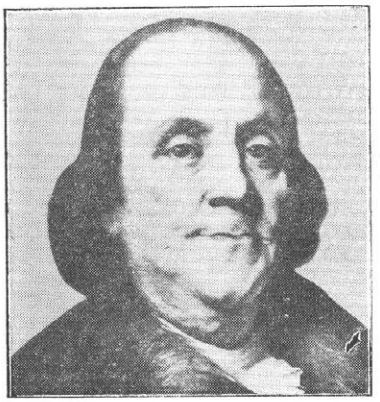
Back Copies

With the rapidly developing national importance of SOCIAL JUSTICE as a weekly interpreter and commentary on current events, demands for back copies of various editions are fast exhausting the supply. In addition to those dealers recently listed, back copies of all editions of SOCIAL JUSTICE can be supplied by Richard A. Palmer, 2007 Fourth avenue, South, Minneapolis, Minn.

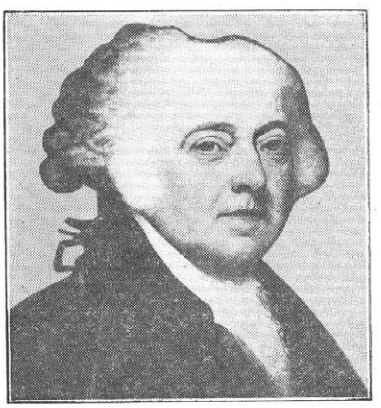
I believe in the abolition of the privately owned Federal Reserve Banking system and in the establishing of a government owned Central Bank. — Principle 6.

I believe in rescuing from the hands of private owners the right to coin and regulate the value of money which right must be restored to Congress where it belongs.—Principle 7.

I believe that one of the chief duties of this government owned Central Bank is to maintain the cost of living on an even keel and the repayment of dollar debts with equal value dollars. — Principle 8.



Benjamin Franklin, the father of "thrift," and the first American to recognize the inherent evils in the English banking system, devoted his public life and writings to opposition of Hamilton's usurious plan.

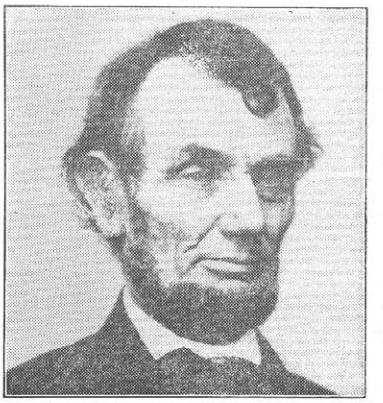


President John Adams, first occupant of the White House, charged that the people's ignorance was responsible for their dishonest money system.

In 1936 there were approximately $346-million United States notes in use which were paid into use by Congress upon the recommendation of Abraham Lincoln. This small amount of interest-free money has saved the American taxpayers over eleven billion dollars (figuring compound interest at 5 per cent).

Heroes of History

Congressmen Now at the Front Find Support in Monetary Theories Of Leading Countrymen



President Lincoln made the money-changers of the North and South alike the target of his wrathful words and actions. Lincoln was assassinated in 1865.

EVER SINCE, and before, the Man of Gallilee overturned their tables in the temple and scourged the money changers with the lash of His condemnation, there have been champions of that virtue not always found in high places.

United States Congressmen waging the present battle for honesty in monetary reform, are not alone in their fight for the right of their people. Honest present-day economists, as well as one-time leading American statesmen no longer accessible to voters' ballots, stand behind them in a chorus, approving their efforts to stabilize the value of the dollar, to nationalize the private, money-creating system of banking, and to return to the people's Congress the sole right to coin and regulate the value of the people's money.

Contemporary champions are rising in Congress to challenge the system which juggles our economic stability and social security, collecting all the profits but refusing to pay any of the losses.

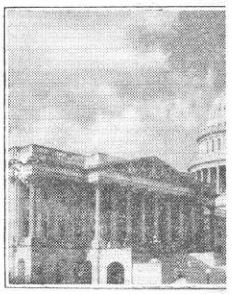
Senator Elmer Thomas of Oklahoma expounded his bill to stabilize the dollar late in March before an almost empty Senate chamber. The Thomas bill would set the purchasing power of the dollar at 100 cents and established a monetary authority to control credit. It would do away with the manipulation of the gold content of the dollar.

If passed the bill would enact principle 8 of social justice, maintaining the cost of living on an even keel. It has the veto of the administration in advance of its enactment, because it would stabilize the American income at a cost to European profiteers, thus affecting what Secretary of State Hull has called the "reciprocal" trade treaties.

The Patman bill aims at the actualization of principle 6 and gives the government control of money coinage. It calls for the purchase of the stock of the member Federal Reserve banks and the outright government ownership and operation of the 12 Federal Reserve banks, and places the profits in the United States Treasury.

While it is a step in the right direction, it still does not place the constitutional rights concerning money in the hands of the people, nor does it prevent continued fluctuations in the purchasing power of the dollar.

Henry Ford, who once expressed the belief that revolution would be immediate if the people ever really understood what had happened to their money.



Capital Echoes Lit Rightful Return To 'We the Pe

The Lemke money bill combines the aims of the other two bills and specifies that the ultimate authority of the government control of the coinage and value regulation of money be vested in the Congressional branch.

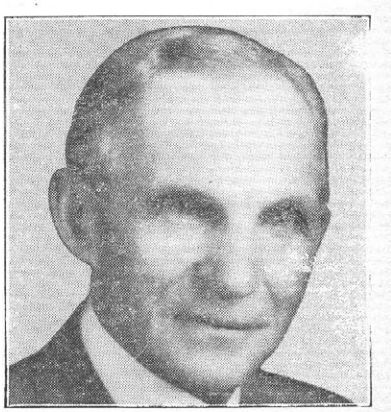
Together, principles 6, 7, and 8, if enacted, would drive the money changers from their choice places in the temple and restore the money power to the government, which in the United States, means we, the people.

Of the American champions whose principles Congress now echoes in the fight for honest money, none has been more spectacular than President Andrew Jackson, whose declarations concerning money put him in the White House, and whose determination to stand by those declarations nearly ended his stay there in 1835.

In refusing to renew the charter of the Second Bank of the United States in 1836, he remarked: **"If Congress has the right under the Constitution to issue paper money, it was given them to be used by themselves, not to be delegated to individuals or corporations."**

His memorable scourge to the money changers is as appropos of today as it was of his time:

"Gentlemen, I am convinced that you have used the funds of the bank to speculate in the breadstuffs of the country. When you won, you divided the profits among you, and when you lost you charged it to the bank. You tell me that if I take the deposits from the bank and annul its charter, I shall ruin ten thousand families. That may be true, but that is your sin! Should I let you go on, you will ruin fifty thousand families, and that would be my



Back Money Battle

Honest Dollar, Economic Stability Are Still Necessary if America Would be Financially 'Free'

ny of Praises For f Money Powers ple' of America

sin! **I have determined to rout you out, and by the Eternal God, I will rout you out.**" . . . and from that day they sought to destroy him.

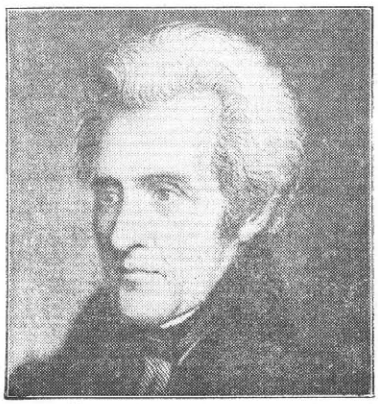
President James Garfield advanced the axiomatic argument against the private control of money:—**Whoever controls the volume of money in any country is absolute master of all industry and commerce.**

Thomas Jefferson spoke of the evils of allowing private banks to control the people's money by inflation and then deflation: "The banks and corporations that will grow up around them will deprive the people of all property until their children will wake up homeless on the continent their fathers conquered." Later he admitted: "We are completely saddled and bridled, and the bank (the privately owned Bank of the United States) is so firmly mounted on us that we must go where they ill guide."

Benjamin Franklin, a strong power against the money changers, prevented Alexander Hamilton from chartering a "privately" owned national bank while he was alive. But unfortunately, Hamilton outlived him.

Of him Franklin's biographer said: "The most voluminous and systematic of Franklin's economic writings are his essays defending paper currency. Holding that the shortage of precious metals in the Colonies hindered trade, lowered land values, and prices, encouraged usury and so benefited the rich sepeculators at the expense of the working population."

Abraham Lincoln was shot because of his continued defiance of the money powers. His word that he, too, would be with our Congressional monetary reform leaders, he gave when he contended that **the creation and original**



Andrew Jackson, actually elected by a majority to the presidency three times, forfeited his first election to his predecessor in 1824 by a House decision. He was a sworn enemy to the privately owned "Bank of the United States."

issue of money "should be maintained as an exclusive monopoly of the National Government. The needs of all can best be served by issuing national currency and credit through the operation of a national banking system."

Woodrow Wilson, the last Democratic president, described the condition into which the financial powers had forced us. "Our system of credit is concentrated. The growth of the nation, therefore, and all our activities are in the hands of a few men. **We have come to be one of the worst ruled, one of the most completely controlled and dominated governments in the civilized world**—no longer a government by free opinion, no longer a government by conviction and the vote of the majority, but a government by the opinion and duress of small groups of dominant men."

Pope Pius XI speaking to the world concerning the strength of these few dominant men, has said: The economic power "becomes particularly irresistible when exercised by those who, because they hold and control money, are able also to govern credit and determine its allotment, for that reason applying so to speak, the life-blood to the entire economic body, and grasping, as it were, in their hands the very soul of production, so that no one dare breathe against their will."

Henry Ford, recognized for his authoritative observations on economics, has joined in the chorus of prominent supporters to a system of money reform, that restores to money its original purpose, and to the people their original rights.

"There is no doubt," says Mr. Ford, "that financiers have failed to do their best to give us an efficient money system. And yet it was their principal business to do that.

"The function of money is not to make money, but to move goods. A dollar bill is like a postage stamp; it is no good unless it will move commodities between persons. If money will not move goods, it is just the same as an engine that will not run. **Some one will have to get out and fix it.**"

And so the campaign for an honest dollar goes on. In 1787, John Adams wrote: "All the perplexities, confusion and distress in America arise, not from defects in their Constitution or

Woodrow Wilson, war time president, said: "A great industrial nation is controlled by its system of credit. Our system of credit is too concentrated."

AN HONEST MONEY SYSTEM WILL HELP AMERICA TO:

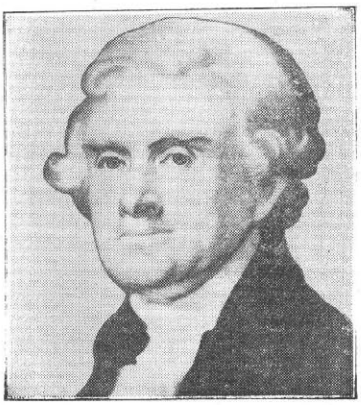
Restore sovereignty over money to its rightful possessors, the people, through Congress.

Make possible of attainment a just living annual wage for the worker and production at a profit for the farmer.

Insure independence for industry which today is dominated by finance.

Prevent domination over the government by the manipulators of money who oftentimes have been the cause of war.

Enable manufacturers to pay just living annual wage free from the competition necessitated by the private control of money.



Thomas Jefferson wrote in 1816: "I hope we shall crush in its birth the aristocracy of the moneyed corporations, which dare already to challenge our government to trial of strength, and bid defiance to our laws."

Pope Pius XI, present day champion of social justice for all at the expense, if necessary, of the "privileged" few.

Confederation, not from want of honor or virtue, so much as from downright ignorance of the nature of coin, credit and circulation."

Today, more than ever before, men are beginning to realize the importance of the role played by money. Unfortunately, the frequent, sometimes masterful, utterances which grace the pages of our congressional history, become nothing more than utterances in the face of pending enactments. It is difficult to back up words with action — especially with action against a powerful machine. When the actual votes are counted, it will not be surprising if the House accepts the administration-blessed Patman bill, and rejects or places in committee the Lemke and Thomas bills, not so favored by leaders of the administration.

ALDERMAN CLANCY

Gives Cohen His Views on Birth Control for Republicans

By Leon Francis

"Mamma was tellin' me at brakfast de doctors hokayed dis boith control biznitz," remarked Abe Cohen as he watched Alderman Clancy finger a kippered herring.

"Wasn't it Fiske O'Hara," asked Clancy, "who arose in all his grandeur whin Hoover was nominated at Kansas City in 1928 and sang 'A Little Child Shall Lead Thim'? Thim were prophetic words, Cohen, whither spoken seriously or in politics. But whin the sweet meanin' o' the touchin' song brings to our hearts what is happenin' to the remnants o' the American home, 't is nawthin' short o' tragedy.

"In me loftiest flights of imagination 't is hard for me to vizoolize a bunch o' doctors in solemn conclave assimbled tryin'' to cut down the birth-rate. What in the divvil are they goin' to operate on twinty years from now? Why it's nawthin' less than Jim Farley whackin' off the heads o' thousands o' postmasters, or Father Devine firin' all his angels. As the notorious Charles the Lionhearted observed whin they were leadin' him to the block, people do be doin' quare things.

"But, still an 'all, Cohen, matters might be worse. What if the medicos had come out for birth conthrol forty years ago? Where would you an' me be today? You a' Becky would have severed all relations, diplomatic an' otherwise, years ago. But, instid, science has been aslape an' you're given free rein, as Horace Greeley used to say, to your instincts. Now in your declinin' years you're kept talkin' to each other by wondherin' whither Irving'll git to be Assistant Sicretary o' the Treasury, if Rosie's girl will be a wampas baby in Hollywood, an' how Jake'll make out in the bankruptcy court.

"'Tis the same with me. Whin' Norah, the grandest woman that iver won a fine man, married me in the priscence o' Father Corcoran over in Hell's Kitchen, 'twas little thought we were givin' to birth conthrol. If smart laddybucks like thim scrum-shooters at Atlantic City could 've worked on us, our Tim, Malachy an' Dominick wouldn't today be in the Public Works Department; Mary an' Kathleen wouldn't be married to a couple o' risin' young city inspictors; Pat wouldn't be studyin' law an' oratory; an' me baby, Alice, wouldn't have won the standin' broad jump in the school Olympics.

"If science had its way in thim days, Cohen, my Norah would now be sittin' at a window gazin' at the traffic instid o' gittin fitted out for the funeral o' Tim's mother-in-law we're all looking' forward to in a week or so.

"Of course, Cohen, there might be more to it than appears on the surface, as Napoleon remarked on glimpsin' the English army at the battle o' Hastings. Though I'm not at all a suspicious man, I can see sinister motives behind this birth conthrol endorsement by the midical fraternity. Who can say 'tis not the New Deal breakin' out in a fresh spot?

"It seems they've failed to emasculate the Soopreem Court. Congress is on the pint o' rayfusin' to be sterilized. Nawthin' can now be done but privint the birth o' Raypublicans. Wasn't it Brainbridge Colby, or maybe Simeon D. Fess, who arose at the Texas Cintinnial last year an' shouted: 'The Raypublican Party must be reborn again an' rewashed in the blood o' the Wall Sthreet lambs'? Naturally the powers that be, as Lawyer Callahan calls the administration, will attimpt to thwart such a reincarnation.

"The procedure, Cohen, is nice an' aisy. Jim Farley calls in his chief figgerer, an' sez: 'The grapevine tills me thim danged Raypublicans're startin' to hatch agin in Pinnsylvania.' ''Tis true for you,' says the statistician, 'me graph on that issue shows an upward trind.' 'It must stop immejutly,' roars Jim. 'Issue orders to our heads o' the Midical Assoshashun to spray the intire state. If I'm not obeyed, I'll banish ivry one o' thim quacks to the concintration camps in Maine an' Vermont.' With that he wheels to his telephome an' calls Sicretary Wallace. 'Hank,' sez he, 'git out a nice dodger in white an' baby-blue offerin' a house an' lot in Alasky to ivry Dimocratic farm family with more than twinty children. 'Twill make fine advertisin' an' I don't think our bluff'll be called in many spots.

"The great danger about birth conthrol, Cohen, is who's goin' to conthrol it, an' whin an' to what extint? If the scientific methods git into the hands of unscrupulous politicos or the Sthandard Ile Company, we're ruined as a nation. Through a prociss of extarmination the Indians'll soon have the counthry back again. Can you imagine what Johnny Lewis'd do to the A. F. of L. if he an' his cohorts had exclusive conthrol o' the gadgets? Or what would Bill Green do to Johnny an' his minnions? 'Tis somethin' to be pondered, me lad."

"Mebbe I dun't honderstend vat it's all about," sighed Cohen. "All de time I'm tinkingk de vimmins hef sometingk to do wid it."

"So they have," concluded Alderman Clancy, "an' that's why the Prisident has a woman for Sicretary o' Labor."

Mid-West Visits Shrine On July 25th

The mid-western states and cities of the nation are sending their large delegations to the Shrine of the Little Flower at Royal Oak, Mich., on July 25.

Chicago and St. Louis friends especially are making arrangements to come in groups.

Father Coughlin has always thought well of his friends and associates in the western cities and knows that everyone is co-operating to make a success of Chicago, St. Louis, and Indiana Day at the Shrine.

The three state stones, Missouri, Illinois and Indiana, are to be dedicated at 2 p. m.

Father Coughlin will deliver the address and will try to meet as many of the visitors as possible.

A program of beautful ceremonies within the sanctuary of the magnificent Shrine will begin at 10 a. m.

The vested choir of young boys with their surplices and beautiful colored cassacks and the adult choir will be enjoyed by all. An afternoon organ recital will be played by Mr. Cyril Guthoerl on the magnificent four-panel Kilgen organ.

The Michigan Central at Chicago is conducting an all-paid tour to the Shrine leaving Chicago July 24.

The Wabash is conducting the tour from St. Louis.

Social Justice Clubs of the mid-western cities, and other organizations sponsored with the help of Father Coughlin, are urged to be present.

Pittsburgh

The great metropolis of Pittsburgh will be largely represented at the Shrine on July 18. Those interested should call upon their local railroad agents and make arrangements. The railroads wil be glad to co-operate and have published circulars advertising the trip to the Shrine.

EYES and EARS

(Continued from Page 4)

against the ever threatening despotism of government.

The issue of the battle will not be decided until either the New Deal and its satellites will have been driven from the halls of government or until the last brave senator who has "burned his (political) bridges behind him" has been assassinated at the polls by the powers of an all-pervading bureaucracy.

The people will join ranks behind the leaders on either side and this government will be uprooted, changed and Europeanized only because a majority of the people want that done, and—open-eyed at last—knowingly and deliberately vote for its consummation.

Senator Wheeler says that there will be no compromise. He speaks for the Senate. The senators, particularly those of the President's own party, have practically all committed themselves one way or the other. There is no withdrawal.

* * *

Speaking for the Senate alone Senator Wheeler might have said that there can be no compromise. If there had been any lingering possibility that human weakness might have permitted senators to change their minds, that possibility was completely removed by the thundering personal condemnation of the President which was contained in the adverse report of the judiciary committee on the court-packing bill.

The country knows, the Senate knows, President Roosevelt knows and Jim Farley's political firing - squad knows that such a courageous document would never have been written had not the committee members known that they spoke for a majority of the body which had appointed them.

There can be no compromise as far as the ex-New Deal senators are concerned. Their support of the hallowed advice of George Washington, that the distribution of government powers be not disturbed, placed them irrevocably on the side of the republic—against the New Deal.

No senator would dare withdraw his support from a declaration such as the following made by the senate committee against the President's plan:

"It is a proposal without precedent and without justification.

"It stands now before the country, acknowledged by its proponents as a plan to force judicial interpretation of the Constitution, a proposal that violates every sacred tradition of American democracy.

"It's ultimate operation would be to make this government one of men rather than one of law, and its practical operation would be to make the Constitution what the executive or legislative branches of the government say it is—an interpretation to be changed with each change of administration."

Such words have not been written since the patriots of the thirteen American colonies set down their categorical grievances against the tyrant George III in the immortal Declaration of Independence.

* * *

It would be well for every sincere American to read and reread the twelve indictments of the President made by the Senate committee in summarizing their report.

They are the gage of battle cast down by the champions of the republic. They are the issue in a new battle in which either the New Deal or those who believe as Washington, Jefferson, Franklin and Monroe believed, will prevail.

For the senators there can be no compromise.

What of the people? Will they rally to the defense of the Constitution which alone guards the rights that have made them what they are and has given them what they have?

Will they choose George Washington's Americanism or will they choose European one-man government?

Will they decide to REFORM our free government to remove the errors and evils at the root of today's unrest, or will they turn back the clock of political progress a century and a half to add the evils of autocracy to the evils they already endure?

Will they support the defenders of Americanism in the Congress, or will they join the Farley-W. P. A. political machine to assassinate politically the last men who dared choose to defend their country rather than to serve selfish ends?

There is a rising conviction in the hearts of those who watch the national scene that the people will, at last, rise to defend their defenders. Dictatorship is foreign to the American spirit—and we can confidently believe that the alien-minded among our citizenry are still in the minority.

Most Americans will agree with the last paragraph of the judiciary committee's recommendation:

"It is a measure which should be so emphatically rejected that its parallel will never again be presented to the free representatives of the free people of America."

U. A. W. Now Demands Guarantee Against Plants Changing Location

Would Avert One Effect of Strike Tactics

By the Labor Editor

A high labor official has reported to SOCIAL JUSTICE that the U.A.W. intends to demand a clause in its new General Motors agreement guaranteeing the union against any change in the location of present plants.

This new measure of protection, our informant explains, is being sought because U.A.W. officials are fully aware of the danger of driving industries out of the state by their high-handed demands, and the current wave of "unauthorized" strikes.

The Yale & Towne Manufacturing Company has already moved its Detroit plant to Stamford, Conn., where the main plant is situtated, on account of chronic labor troubles. This threw out of work some 500 members in the Detroit area and the union officials want to forestall a recurrence.

The following firms already threaten to take similar action or close up completely:

The Store Equipment Company, Grand Rapids, Mich.

The Macey Company, Grand Rapids, Mich.

The Crown Hat Company, Detroit, Mich.

The Trenton Garment Company, Jackson, Mich.

Prior to the governorship of Frank Murphy, a number of industries moved to Michigan from Toledo, Cleveland, and Wisconsin.

By way of contrast Governor Wilbur L. Cross of Connecticut warned C.I.O. officials that he would not countenance any labor trouble in Connecticut and sure enough, his firm stand has been respected. Connecticut has had comparatively little trouble.

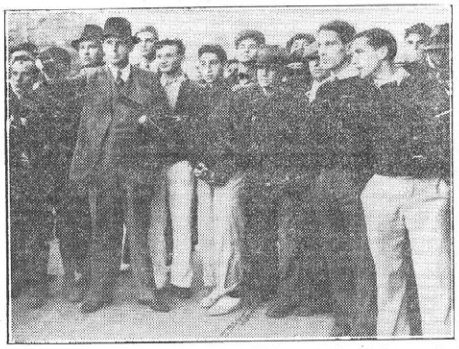
However, in view of the support that the administration is giving to John L. Lewis, it is hard to conceive just where any of the larger companies could move, that the Lewis unions would not go after them.

The alternative is closing. This may be exactly what these Roosevelt henchmen desire. They hope to freeze out the little fellows and confiscate the giant industries. The machinery is already set up for the government to step in and run the industries, the same as is being done in Russia.

This may seem far fetched to many readers, but it is a lot nearer than they will possibly believe.

When it happens you might **remember you read it in SOCIAL JUSTICE.**

Mayor Acts For State



When Gov. Murphy of Michigan refused to send militia to protect the city, Mayor Daniel A. Knaggs of Monroe, Mich., seat of the Newton steel disorders, organized an armed vigilantes corps of vigorous young Americans prepared for action. A mass march on Monroe was halted by the orders of President Homer Martin of the U. A. W. *—Wide World photo.*

Labor Highlights

WASHINGTON, D. C. — A national board of mediation for the steel crisis has been announced by Secretary of Labor Perkins. The three men who compose the board are Charles P. Taft, son of the late president and chief justice, chairman; Lloyd K. Garrison, dean of the Wisconsin University Law School, and Edward F. McGrady, the Assistant Secretary of Labor and chief trouble-shooter for the Labor Department.

The Bethlehem Steel Company officials have joined with Republic and Youngstown Sheet and Tube Company officials "in a fight to the finish" against the Steel Workers Organizing Committee, the C. I. O. affiliate that has tied up 100,000 steel workers in seven states. The officials refuse to accept the check-off system on the basis that they do not believe it right for them to collect money for a union and not for the doctor, the butcher, the baker and grocer.

Following the explosion of a dynamite bomb that shattered most of the windows of Johnstown, Pa., martial law has been declared in the area and feeling is intense. Mayor Shields has stated that the people of Johnstown are tired of Communist agitators who are endeavoring to "take over" the town. The aroused citizens will fight to the finish. In the meantime, Gov. Earle flies about the state in an autogiro in an effort to maintain industrial peace. The C.I.O. has called out some 10,000 miners supplying the coal for steel production in an effort to "strangle" the independent steel companies who refuse to recognize the check-off system.

DETROIT, MICH. — A strike at two of the largest Detroit dairies forced 25,000 customers to go without milk and cream. The milk men were called out by Kenneth Vardon, president of the United Dairy Workers, a C. I. O. affiliate, which seeks domination over 65 dairies in the Detroit area within the next two months. The strike was called because sole bargaining rights had been granted to the American Federation of Labor local.

NEW HAVEN, CONN.—The quiet atmosphere of Yale university was electrified recently when 200 professors and teachers from eastern universities, wearing their traditional caps and gowns, picketed Woodbridge Hall because of the dismissal of Jerome Davis, professor of economics, by the Yale Corporation. After the picketeers had paraded for a couple of hours, they retired to the Y. M. C. A. building for a good lunch. Representatives from Harvard, Columbia, Amherst, Temple, Smith, Swarthmore and Hunter educational institutions were in the protest parade.

WAUKEGAN, ILL. — An echo of the Fansteel Strike of last February, one of the first sit-downs where the men were forcibly ejected by a sheriff, was heard when Judge Theodore Forby of the Lake County circuit court sentenced to jail 31 C. I. O. sitters and their leaders. Meyer Adelman, and his assistant, were fined $500 and given 180 days in jail.

U.A.W. Dues Are Cause of Unrest in Rank and File

PONTIAC, MICH. — One of the underlying causes of the present outbreak of strikes in Michigan, even where existing agreements are supposed to be in effect, is the difficulty U. A. W. officers have in collecting the $1 per month dues.

The dues paying union member is manifesting an increasing opposition to the laborer working at his side, who does not belong to any union and hence has no dues to pay. In many cases, the bolder non-union members are cracking jokes about "kicking in" to the upkeep of John L. Lewis and his expensive retinue. The non-union member shares the benefits of the union member in collective bargaining agreements, under the Wagner Act, providing the union has a majority.

Of course, the strategy behind the union is that they tell the union members that they will "force" the non-union member to pay—or else. In some cases, a flying squadron calls on him or his wife.

One report here is that last month some 9,000 union members paid their $1 dues to the U. A. W. coffers, but the next month only 2,000 paid.

This condition is simply going to force the U. A. W. officials to demand the obnoxious check-off. Without a check-off system, the loyal union members will remain disgruntled at kicking in with dues when the same wage and hour advantages are obtained by non-union men without expense.

Economic Dictator on the Way

IMMEDIATELY following the Supreme Court's decision upholding the legality, but not the economic wisdom, of the Security Act, the president sent to the Congress of the United States a new labor bill.

This labor legislation was rushed so fast that when the original bill was read on the floor of the Senate, it still had pencil notations in it. Why the rush? **Because the administration wanted to take the minds of the public away from the Supreme Court.**

Liberal decisions had exhausted the last breath of argument in favor of packing the Supreme Court.

The new labor bill is a reincarnation of the old NRA with its minimum wages, its maximum hours of labor and its child labor provisions.

There is nothing wrong with minimum wages providing they are decent enough to enable a man and his wife and at least two children to live in frugal comfort. **He can't do it on $16 a week.**

The real danger of a ludicrous minimum such as $16 a week is that too often short-sighted management makes the legal minimum a practical maximum.

No consideration has been given in labor disputes to the problem of the white-collared worker on a salary which is less than a living wage. He is caught between the fixed income of his salary and the mounting prices, as he attempts to work out his economic destiny individually and alone without the aid of any organization.

Combined with minimum wages is the limitation of the hours. The early announced standard of the Black-Connery Labor bill of a 30 hour week appears to be abandoned. They will probably stabilize it at 35 or 40 hours a week.

Following control of labor and agriculture comes the whole housing program for the labor population of the country, paralleled by the farm tenant program for the agricultural laborer.

Then follows the dream of taking over the vast utility interests and railroads, together with the destruction of big business as it exists in the industrial corporations.

These are not idle statements. The wage laws and the agricultural bills are already before Congress. The power bills have been introduced extending the power policy of Roosevelt in 1933. The housing program is being worked out as rapidly as humanly possible.

The railroads already are in the hands of Jesse Jones and the R. F. C. The Stock Market exchanges are now being manipulated by government itself. Big industry is rapidly learning that it is no longer its own boss; its profits are taxed and it is forced to distribute, under the penalty of additional taxation, whether it is good business to distribute a surplus or not. In the meantime, the little businesses, without surpluses, are going into bankruptcy.

The New Dealers believe that private industry must be destroyed because it is private. The underlying government regulation of industry is the whole Rooseveltian philosophy of economic planning. Public welfare demands that industry and agriculture be regulated by the federal government, but not destroyed. It is like an unruly child. He must be disciplined, but not murdered.

Before another year will have passed and the Seventy-fifth Congress will have adjourned, this nation will be treated to political solutions of economic problems which will make a Mussolini or a Hitler green with envy. But it will not last because it is not founded on an honest money system and honest wages.

Thomas - Massingale Bill Before Congress

House Committee Starts Hearings on Cost Of Production for Farmer; Kennedy First Witness

By Staff Correspondent of SOCIAL JUSTICE

WASHINGTON, D. C. — A five-year struggle to rescue the Thomas-Massingale bill from the limbo of stifled legislation in the house of representatives has been crowned with success.

The bill, which would insure cost of production to the farmer, has finally been granted a hearing by the House Committee on Agriculture.

Farm leaders were jubilant over the decision of the committee to consider the legislation because the House, heretofore, has been the stumbling block in the path of enactment. **The Senate once passed the bill and will probably do it again if the lower chamber acts favorably.**

Lemke Proposes Drouth Relief

At the same time, plans for relieving the plight of destitute farmers went forward on another front with the introduction, by Representative Lemke of North Dakota, of a bill providing for the resettlement and rehabilitation of farmers in the drouth area.

Lemke proposes that $500-million be made immediately available to the Resettlement Administration for the purpose of maintaining needy farmers and saving their livestock and poultry from starvation.

Under the bill, resettlement officials are directed to re-locate drouth-hit farmers in "more favorable areas," and to encourage livestock raising and water conservation by the construction of dams and the enlargement of existing farms.

Immediate financial relief would be extended to impoverished farm owners in the form of loans bearing an interest rate of 3 per cent annually. One-half of the interest charges would be applied each year against the principal, thus enabling the debtor to reduce the principal without the actual payment of amortization instalments.

Ed Kennedy Backs Cost-Profit Idea

The hearing on the Thomas-Massingale bill went into high speed as Edward E. Kennedy, prominent farm leader and a representative of the National Farmers' Union, strongly endorsed the principles of the bill.

The first to testify, Kennedy urged the committee to issue a favorable report so that the income of the farmer may be given the "same protection that the government now accords to meat packers and others who deal in interstate commerce."

Kennedy added that the proposed legislation would have the effect also of "preventing speculators and grain dealers from gambling in the wages of the farmer."

The Thomas-Massingale bill embodies one of the 16 principles of social justice. It provides for an apportioning of the volume of farm products based on the supply needed for domestic consumption.

The farmer would receive at least the minimum cost of production for this portion of his crops. He would get the prevailing world price for the rest.

Buyers and dealers in interstate transactions of farm goods would be licensed by the government. This would tend to discourage speculation since the books of the dealers would be subject to inspection at all times.

Grain Gamblers Offer 'Hedging' as Excuse For Their Occupation

Why, since it is a known fact that the grain "futures" gambling racket is of great cost to the consumer and ruinous to the farmer, is it permitted to continue?

Why is a government bureau supporting it?

Why, if the persons who should take steps to eliminate the "futures" markets are too much entangled to act, do not the learned economists, (who must certainly know) expose the true nature of this confidence game which operates daily in brazen defiance of law?

Public prosecutors do not close them up because they lack the knowledge, understanding and courage to move against such powerful, well-entrenched, vested interests. Maybe our economists and college professors fear the loss of their jobs should they disclose what they know of the facts of grain gambling. Perhaps some of them "play the market" themselves.

Gamblers Teach Sons of Farmers

But why do professors who labor in agricultural states remain silent on the evils of grain gambling?

There is no doctrine so subversive of good government and the general welfare as that which emanates from the futures market of a Board of Trade. It might not be amiss for the taxpayers to be informed as to how many Board of Trade men **are occupying lucrative and influential places in the United States Department of Agriculture**, and why, it is that **Board of Regents of our state Agricultural Colleges feel obliged to hire Board of Trade men to teach the sons of farmers the subject of "marketing farm products."**

The strongest justification for the existence of a futures market given by economic professors is that the "futures" market is a market for the future delivery of grain.

The Commodity Exchange Act of June 15, 1936, specifically denies this stating that "future delivery" ". . . shall **not include any sale of any cash commodity for deferred shipment or delivery.**"

Market Argument Is Hedging on Loss

It is necessary while reading the Act, at the words "for future delivery" (and those words occur frequently in the Act) to keep one's fingers crossed and understand that **they do not mean "any sale of any cash commodity for deferred shipment or delivery."** That is why our national legislators have bad headaches every time they conduct an investigation into futures market practice, as they often do—for the Act, while it does not condone the practices of "futures" markets, recognizes them for what they are.

Brokers and profiteers admit that the most plausible excuse for the existence of a grain futures market is to provide facilities by which handlers of grain, country elevators, warehousemen, millers, processors, may "hedge" against loss from price fluctuations in cash grain already purchased, or price fluctuations affecting the value of cash grain (or its products) already sold. All economists are agreed that if some other or better way of hedging might be found, **it would be difficult to justify the existence of the futures market.**

The argument is one which runs its course in a vicious cycle. Take millers, for an example. Millers are legitimate businessmen. **They do not like speculation.** They would prefer a system of grain marketing that would furnish a fairly constant price level—not ticker tape prices, fluctuating momentarily. The futures market has made a gambling game out of the grain market. What is the miller to do to protect himself against the unreasonable price fluctuations **caused by the futures market?**

All he can do is to go into the futures market and bet that prices will go in the direction he does not want them to go. If he sells short in the futures market (bets that the price of the cash grain he has already bought will decline) he finds, if the price does decline, that his investment in cash grain has declined in value but he has won a bet in approximately the same amount. It was the price fluctuation (ticker-tap fluctuation) **caused by the futures market** which caused the millers to feel the need of hedging in the futures market in the first place.

SOCIAL JUSTICE herewith presents the third in an important series of disclosures on the Grain Gambling Racket, which an informed but anonymous writer has prepared for our readers. A fourth and final article in this series will appear in an early edition.

Millers Do Not Like to Gamble

It is no violation of confidence to say that millers do not like speculation and **they do not like the futures market.** They might use the futures market merely to protect themselves as much as possible, against the futures market. Yet millers always testify before Congressional investigating committees that they are much **opposed to limiting the volume of speculation** in the futures markets, but that they are opposed to speculation.

What they have been trying to tell Congress is that **if there is to be a futures market at all,** they want to see **a good, big futures market,** and not a little one! No one can hedge successfully in a futures market unless the volume of speculation is large. It is much like fishes in a fishbowl. There must be plenty of water for them to move about, or they are better off out of it completely.

If our legislators cannot provide a saner system of marketing by completely eliminating "futures" trading, they may in their zeal to preserve a little futures market, **ruin the farmers and brokers and handlers of grain.**

Speculation and hedging are one and the same thing **as far as the futures market is concerned.** Some speculators hedge and some hedgers speculate.

There is nothing in their transactions to distinguish them. In either case it is just an order to sell or an order to buy a futures contract.

All of these men are gambling on the fluctuation of the future prices of grain. It is all a question of motives. The motive of the speculator is to **make a gambling gain.** The motive of the hedger is to **avoid a loss.** Presumably the hedger is at the same time dealing in cash grain and the speculator is not. But in the futures market they are both betting, and the betting must be heavy or the hedger cannot hedge.

Millers and farmers and handlers of grain do not properly belong in the futures market. They belong in the cash market minus the ticker-tape and **that is where they really want to be.**

In a circular distributed by the United States Department of Agriculture in January, 1932, (circular 201, page 9) Dr. G. Wright Hoffman of the Commodity Exchange Administration, offers a choice of conclusions as to the worth of the futures market. **"Either,** says Dr. Hoffman, **"the futures market is of real service as a hedging and marketmaking device, or it is of little practical value."**

The ordinary citizen regards this as a thin thread upon which to hang cumbersome and expensive Congressional legislation for the preservation and regulation of the futures market of the country.

Farmer Played Role in 178,483 Land Foreclosures During 1936

$860-Million Went to Creditors as Farmers Lost Lands and Homes Through Unpayable Debts

By the Farm Editor

During the year 1936 American farmers witnessed 178,483 foreclosures and abandonments of farm property which went to the creditors. A million people on the farms of America were driven off because of unpayable debts, and property to the extent of $860-million was transferred from the over-burdened debtor into the hands of the creditor.

The old first mortgage farm debt of America had stood at $9,500,000,000, or 12 per cent of the values of the land and buildings in the years of farm prosperity. In the last few that debt has been reduced materially **because a vicious cycle of foreclosures took at least two and a half billions of dollars from** the hands of the poor working farmer, and put it into the pockets of his more fortunate creditor.

Half the Farmers Have Lost Homes

Nearly half the farm population of the United States as it stood in 1920 has been removed from its homes through the process of foreclosure, or settlement with creditors, which involved the handing over of farms to the banks, to the insurance companies and to the money lenders who held over the heads of the farmers the burden of unpayable debts.

For 16 years the American farmer has fought a losing battle against the forces of deflation. The great farm depression in America started in 1921, when Governor W. P. G. Harding of the Federal Reserve System, **called into conference the financial dictators of the United States and decreed a depression.**

Before that depression was decreed the farm values in land and buildings amounted to more than $77-billion. The implement and tool equipment item together with the herds and stock of animals generally amounted to more than $40-billion more.

Since that day the American farmer has not received the cost of production for his goods. He feeds the nation and largely furnishes the raw material for clothing, but receives nothing for his labor.

Remaining Farmers Operate at Loss

With farm income at little more than $9-billion, the farmer receives nothing from his labor, if we count his operating costs, taxes, wages paid out, cost of seed, maintenance of his equipment and the interest on the lands and buildings, including the normal depreciation to be charged against these things.

The farmer has watched wheat and corn and oats, cotton and wool and every other form of farm produce fall from prices which had given him a profit, into valleys that not only denied him a profit, but actually denied him the ownership of his property.

Take for example a farm in 1920, valued at $11,000. The mortgage was $5,500 and the interest rate, 6 per cent. The mortgage was for 15 years, say, and the debt service, interest and principal, on this amount averaged approximately $530 a year.

Normally that debt would have been wiped out by 1935 with the payment of practically $8,000 to the creditor, but farm prices dropped so that wheat which had been selling for more than $2 a bushel, sold for as low as 37 cents.

How "Squeeze" Creates Unpayable Debt

At the high price—the level at which the money was borrowed — the American farmer would have to save over and above his costs, the equivalent of 4,000 bushels of wheat to free himself from his mortgage debt. With wheat at 37 cents a bushel, the farmer would have to have not 4,000 **but 22,800 bushels free and clear to rid himself of this $8,000 first mortgage debt!**

The tragedy of the situation occurs with the realization that the farmer could never have any wheat profit with wheat selling at 37 cents a bushel.

This is what is meant by an unpayable debt. At ruinously low prices, no surplus can be accumulated.

The farm that was $11,000 in value in 1920 depreciated naturally because of the impossibility of profitable farming to a point where it approximated $4,800.

The debt of $5,500 remained on a $4,800 farm.

Under our laws the creditor received not only the farm at a foreclosure sale, but likewise a deficiency judgment.

The farmer who had already lost $5,500 as his equity in his farm property of 1920 has now lost not only the $5,500 and his opportunity to work out his existence on a farm, but is faced with a deficiency judgment of at least $700.

This deficiency judgment follows him down through the years, awaiting that day when prosperity may again appear, to rob the first fruits of production for the creditor.

This is the story in substance, of a million families, of whom more than 178,000 lost their farms worth $860-million during the "recovery" year of 1936.

The People Speak . . .

Why Attack The Mortgaged Home-Owner?

To the Editor:

I read in SOCIAL JUSTICE where the C. I. O. calls on renters to seize their homes.

For five years, people who own property have lost heavily. Is this done with the connivance of mortgagees, while the financial interests get ready to take over the homes at the beginning of the biggest farm and home speculation in history?

They curtailed, restricted and destroyed to create high prices, so that they could create high farm prices of land, after the mortgagee had the land through foreclosure.

Since 1926 until recently, building has practically stopped. The home which we now rent for $35, at one time rented for $58 which we paid. No one complained then because other necessities were cheaper — the people enjoyed some of the benefits of mass production. We had less taxes to worry about—indirect taxes, Mr. Jackson of the U. S. Treasury Department calls them. They have increased from 38 to 61 per cent.

Why does the C. I. O. attack the home owner? Why doesn't it attack the tax question? Why doesn't it attack the curtailment and destruction of food? Why doesn't it inform the workers that **food imports are coming from other countries and sold at a profit of from 1,800 to 2,400 per cent,** keeping our farms idle, and taxing the workers to keep the farmers idle, while we subsidize European farmers?

After they have signed a contract for increased wages, the C. I. O. does not allow its members to ask for an increase. To ask for more means the loss of a worker's job. **He is entitled to a raise only when the leader of the organization feels that everybody should have one.** To quit and seek work elsewhere means forfeiting his seniority rights.

—An "American."

Chicago, Ill.

Selfishness Defeats "We, the People"

To the Editor:

Permit me to reply to L. J. Stohl, who complains in SOCIAL JUSTICE for May 17 that his letters have not appeared. He states: "This is the kind of policy that caused the defeat of social justice last fall, and if continued, will do it again."

Let us place our defeat where it belongs. The very attitude which this contributor is now employing toward Father Coughlin and SOCIAL JUSTICE is what caused our defeat—**the great American selfishness.**

I wonder if readers like our friend from Dayton, as they sit and read their 16 pages of SOCIAL JUSTICE, ever give a thought to the hours spent by Father Coughlin in preparing those pages so that we may go out without fear of contradiction and teach what we read in the only paper giving us truthful and reliable information.

Do you realize how utterly impossible it is for Father Coughlin to do personally all of the things we ask of him? None of Father Coughlin's principles nor SOCIAL JUSTICE defeated us, just "we the people" defeated ourselves. Too many were satisfied with our alphabetical soup, too many were busy getting all they could out of life attending horse, dog and motorcycle races and card and cocktail parties. They did not have time to listen to Father Coughlin (for the above reasons), or to study his paper. They didn't have any money (for the above reasons) to contribute to his broadcasts, yet expected him to make a success of it alone.

Perhaps some of these critical contributors were among the faithful few who worked and spent money—so did Father Coughlin, long hours after the others had quit. He is still working even for those who deserted him when he needed them most.

I agree with the newspaperman who said long ago that Father Coughlin could not educate the American people because their brains were below their belts. I add that until their stomachs are empty for some time, their brains just won't function!

I am reminded of another gentleman from Kentucky, who made the seconding speech for Father Coughlin's nomination at the Cleveland convention. He said: "We of Kentucky love a thoroughbred."

We of SOCIAL JUSTICE also love thoroughbreds, Mr. Stohl.

—C. M. Stocks.

San Mateo, California.

Has Real Reward In Social Justice

To the Editor:

The questions of the contest in SOCIAL JUSTICE have opened a new door for me, because they led to so much real study of the Federal Reserve system and forced us to use what we had learned.

It has been as enjoyable as an educational course and everyone whom I know is hoping that SOCIAL JUSTICE will continue with other contests. All feel this benefit.

I may not have answered the questions in a way that will merit even the smallest money award, but I feel that I am the owner of the real prize, for I now know something of social justice and from here, constant study of the subject will bring its continuous reward.

My simple purpose in writing is to tell Father Coughlin and the editors of SOCIAL JUSTICE that their labors are not in vain for our particular family at least.

—Cecilia F. P. Higgins.

Bradford, Pa.

Effects of Money Systems Praised

To the Editor:

The advantages and effects of an honest and dishonest money system in SOCIAL JUSTICE for May 24, is a masterpiece. I believe that these two columns should permanently be put on the editorial page as they are necessary for the new reader to get the idea at which SOCIAL JUSTICE is driving.

—Paul F. Fratessa.

San Francisco, Cal.

Editor's Note: At the request of many readers, SOCIAL JUSTICE repeats the articles on Page 15 of today's edition.

Wants Leaders To Face the Issue

To the Editor:

It is with the utmost disgust that I have listened to speeches made by eminent politicians lately in radio broadcasts of what has been done for the farmer and is being tried to be done for the home owner by a new bill to be introduced in Congress by some New York senator.

I have yet to hear one of these spokesmen in any way meet the issue squarely by telling the people the truth as to what would benefit them. How simple it would be were all of these so-called public benefactors to exercise their right of office and oath they swore to uphold when elected. To obey the law as laid down by our Constitution, which if honestly interpreted and enforced, would end depressions and enable the farmer and home owner to be self-reliant and not to be placed in the position of dolesters.

Give us the proper tariff laws to protect our industrial system and workers against the cheap foreign labor and an honest money system so that each can have what he earns. In other words, drive the money changers from the temple.

—L. S. Collins.

Jeannette, Pa.

Property and Human Rights Not Alternative

To the Editor:

By what authority do workmen "sit down" in a factory or mill with the object of preventing the owners from using the property to which they hold legal title? Just tell me, by what magic has membership in a "union" made these men the sole owners for the time being of the property of others?

Whether it may be expedient not to disturb these squatters is not to the point. We have simply to inquire what is the verdict given by pure equity in the matter. And this verdict enjoins a protest against every such pretension to the mob possession of the property of others. the right of the owner to his property is still valid in this nation, all "unions," politicians, and weak-kneed officials notwithstanding.

Does the fact of membership in a union of workmen give such men a valid title to the property of their employers? Does it quash the title of the original owner? It must not be forgotten that in this matter of "sit-down strikes" the verdict of morality must be distinctly YEA or NAY. Either the sit-downers HAVE a right to take possession of the property of others, or they HAVE NOT such right. There is no medium.

If the sit-downers have no such right, then why must authority wait for the "consent" of law-breakers to enforce the laws of ownership? Either the titled owners have a right to uninterrupted possession of their property, or we must decide that there are no rights of property in this nation as against the power of a labor union—in other words, that there is no right of property at all.

Can any one point to a denial of property rights which is not at the same time a denial of human rights? They are, as I view it, expressions of one and the same right!

—J. S.

Freeland, Penna.

Federal Reserve Not Federal Arm

To the Editor:

None can deny that every American citizen and every American business firm or corporation has equal rights under the Constitution. Nevertheless, we have witnessed the leaders of our nation denying this fundamental fact.

Profits of the Federal Reserve system accrue to private individuals. The propagandists say it is "an arm of the government." This is a deliberate and further attempt to mislead. The post office is an arm of the government but not the Federal Reserve Banking system.

There are those who would classify money operation as a special business. Classifying it as such they likewise classify those individuals engaged in it as being in a special class, removed from the rules governing the rest of us humans. This is wrong. We are all in the money business.

—John R. Kelly.

Boston, Mass.

"Come Down" Is Not Necessary

To the Editor:

Mr. G. S. Davis suggests that SOCIAL JUSTICE "come down" to current day thought so that all could understand.

The omnipotent Master multiplied fish and barley loaves, cured the sick, raised the dead, and yet He was asked to "come down" and talk in riddles.

Were not the people told that they would see confiscation of their homes due to politicians and the money changers and their schemes? Does this need plainer talk to be understood?

Can any sort of explanation tell the truth more comprehensively than past and present day experience? A reality for all to witness, the thoughtless are now not excused under the filmy pretext that they do not understand.

Does one need a college professorship to understand that if jobs are few, earnings become less? If a mortgage is pressing the jobless, should one look for pennies from heaven?

If heavenly aid is all that the unfortunate are looking for, how explain the present party's boast of a mandate from those who do not understand?

—Frank H. Washko.

Bedford, Ohio.

WPA Worker Protests Destruction

To the Editor:

I am a poor man, with a family of ten persons to support and am on the WPA, having been on this work since its inception. Although a skilled workman, I am unable to obtain more than the smallest wage rate, paid to unskilled workers with no dependents at all.

At this writing I am engaged in destroying fruit trees, some of the oldest and finest of trees. In this one tract we have 1,000 trees to dig up, many of which, if allowed to stand, would produce as much as 30 bushels of choice apples. My children have not had an apple in months, with a bushel of apples selling for not less than $2, and I am refusing to do this kind of labor.

This land, when stripped of its trees, is a barren clay hill, for which the government is paying $5 per acre. It costs the government $50 per acre to reduce this hill to a valueless piece of ground. While we are planting timber belts in America, at great cost, and hiring rangers to protect the trees from damage by fire, we are engaged, on one single tract, in destroying 90 acres of fine old orchards.

This is just as silly as buying pigs from producers, and destroying them, when the producers need those pigs desperately.

—R. D. L.

Carrier Mills, Ill.

C.I.O. Grew Out of Spite, Lewis Quit--Couldn't Be 'Boss'

To the Editor:

Some few contributors to this page are apparently taking advantage of your very liberal policy, to vent their spleen against the entire labor movement, because of some real or fancied injustice they possibly may have experienced through having become associated with the "wrong crowd." And yet they are condemning the entire labor movement and its leaders as racketeers without making any exceptions as to which is and which may not be legitimate. The whole truth of the matter is that there are many legitimate unions, and their leaders are engaged in carrying out policies that have been adopted and ordered to be put into action by a majority vote of the membership, or by their legal representatives in convention assembled.

Thirty years of activity intimately connected with the internal affairs of the great international and national unions affiliated with the American Federation of Labor, has taught me that **there is no organization, anywhere on the earth any more democratic than the A. F. of L. and its affiliates,** not excepting our national government.

The rank and file members of these unions are not in them because of their leaders; but the leaders are leaders because they have amply proven their genuine ability and true worth before they were **elevated to leadership by a majority of the members who always have the last say on any new policy that may be adopted, in the choice of their executives, and in all things that are of vital importance to the unions and the general well-being of their members.**

The good wages and humane conditions that are being granted by some of those very generous employers which the contributors write so glibly about, did not come from the generosity and humanitarianism of these employers so much, as they did in the main, through the unrelenting agitation of the unions for better wages and conditions.

Those employers knew and feared that unless these conditions were met in some manner, the union would probably invade their industry and cause them to meet them.

I know little of the internal workings of the C. I. O., but when I recall some of the events which transpired some years back in the history of the labor movement, in which John L. Lewis played a prominent role, I am led to believe that the C. I. O. is wholely a spite child, conceived in hate by a mind so thoroughly steeped in an egotistical idea of its own importance that its possessor is erroneously laboring under the fatuous belief that he was **born predestined to be the sole arbiter of the policies and destinies of the entire labor movement.**

At a convention of the A. F. of L., some years back, John Lewis presumed to oppose Samuel Gompers personally, as a candidate for president of the organization, and met with overwhelming defeat. If I am not mistaken, it left him considerably peeved because of his failure to achieve his great ambition. To make matters worse, some years latter when President Gompers passed on, it became necessary for the A. F. of L. to choose his successor. The delegates to the convention did not choose Lewis, but instead they went into his organization and chose one of his subordinate officers for the honor of filling Mr. Gompers' place.

I am fully convinced that Lewis considered this a personal affront, and all these years has spitefully held it against the members of the A. F. of L. and their president, Mr. Green. I am convinced that he has had some such move in mind ever since, and the refusal of the A. F. of L. convention to adopt his organization plan at Atlantic City two years ago, furnished him the excuse he was seeking to start a dual organization, on a national scale, in which he could pose **as lord and master and thus satisfy his great personal ego, and at the same time appease his spite against the A. F. of L. and its president with the net result that we have the C. I. O.** and all that goes with it whether we like it or not.

—J. L. Smith.

Columbus, Ohio.

Learn Your America and Win $3,500.00
335 Will Be Awarded Prizes - Be A Winner!

QUESTIONS FOR THIS WEEK

Picture No. 3 **Picture No. 4**

Make Your Selection by Number from Following Lists:

1. Communism believes in private ownership of property, and Fascism does not.
2. Fascism believes in private ownership of property, and Communism does not.
3. Communism believes in application of broad democratic principles and Fascism does not.
4. Fascism believes in application of broad democratic principles and Communism does not.
5. Communism believes in dictatorship by one man and Fascism does not.
6. Fascism aims at war while Communism strives for peace.

1. Action by leaders of Christian churches.
2. The Democratic Party.
3. Action by President Roosevelt.
4. The Wagner Act.
5. Payment to workers of a just, living, anual wage.
6. United action by the great middle class of America.

FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN KA
NOT NECESSARY TO RETURN PICTURE
Make your selection by number from suggestions under each picture.
Write clearly the number in the little square.

No. 3 For Question No. 3 I Select Answer No..... ☐ No. 4 For Question No. 4 I Select Answer No..... ☐

MY NAME IS.....

MY ADDRESS IS.....

TOWN OR CITY.....STATE.....

GET ANOTHER TO USE THIS EXTRA COUPON

FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN KA
NOT NECESSARY TO RETURN PICTURE
Make your selection by number from suggestions under each picture.
Write clearly the number in the little square.

No. 3 For Question No. 3 I Select Answer No..... ☐ No. 4 For Question No. 4 I Select Answer No..... ☐

MY NAME IS.....

MY ADDRESS IS.....

TOWN OR CITY.....STATE.....

Here Are Pictures No. 1 and No. 2

Picture No. 1 **Picture No. 2**

WHAT CAN AMERICAN LABOR EXPECT FROM COMMUNISM?
HOW WOULD APPLICATION OF THE POPE'S ENCYCLICALS ON LABOR AFFECT ECONOMIC CONDITIONS IN AMERICA?

Make Your Selections by Number from Following Lists:

1. Freedom from the shackles of economic slavery.
2. A return to democracy in the United States.
3. More and better human comforts.
4. Abolition of capital as a necessary element in human affairs.
5. A labor dictatorship destroying all liberty.
6. Freedom of action under liberal laws.

1. It would grind labor still deeper into the economic mire.
2. It would reduce class warfare by establishing social justice.
3. It would establish a religious dictatorship.
4. It would bring about Fascism.
5. It would render trade unionism unnecessary.
6. It would render capital unnecessary in industry.

ENTRY COUPON — MAIL TODAY

FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN KA
NOT NECESSARY TO RETURN PICTURE
Make your selection by number from suggestions under each picture.
Write clearly the number in the little square.

No. 1 For Question No. 1 I Select Answer No..... ☐ No. 2 For Question No. 2 I Select Answer No..... ☐

MY NAME IS.....

MY ADDRESS IS.....

TOWN OR CITY.....STATE.....

GRAND PRIZE
$2,750.00

Second Prize
$1,250.00

THIRD PRIZE
$500.00

FOURTH PRIZE
$200.00

FIFTH PRIZE
$75.00

10 Prizes of $50.00 each.
20 Prizes of $25.00 each.
100 Prizes of $10.00 each.
200 Prizes of $5.00 each.

$750.00
SPECIAL AWARD FOR PROMPTNESS!

Rules of Contest

1. Open to all readers of SOCIAL JUSTICE except employes of Reverend Father Coughlin, members of the former National Board of the National Union for Social Justice, or members of their families.
2. Two pictures each week for 25 consecutive weeks, beginning Monday, June 21, 1937. Each picture contains a question dealing with a live economic or social problem affecting the United States during the current year.
3. A Grand Prize of $2,750.00 will be awarded to the reader of SOCIAL JUSTICE returning the best or most appropriate answers to the 50 questions, such answers to be based upon the viewpoint of Father Coughlin as expressed in the columns of SOCIAL JUSTICE or in his public utterances. The reader or readers submitting the next nearest correct answers and otherwise complying with the rules shall be eligible for the additional prizes in the order of their correctness.
4. In order to qualify as a prize-winner, the contestant is required to send in 10 cents in coin (not stamps) with each weekly Coupon; and to obtain at some time during the Contest one NEW yearly subscriber to SOCIAL JUSTICE at $2.00 per year. The remittance of 10 cents in coin and the effort of obtaining the subscription is in payment for a handsomely illustrated 105-page book descriptive of the Shrine of the Little Flower. Purchase of this book, which will be delivered after the close is a condition for entering the contest.
5. We cannot take into account solutions without signed names or addresses. Neither can claims to their ownership be recognized. We cannot be responsible for Coupons arriving unduly late. By entering the Contest the contestant agrees to accept as final the decision of the judges as to procedure and final outcome.
6. In event of ties additional pictures and questions will be submitted. In event of final ties, after two such submissions, duplicate prizes will be awarded.
7. Do NOT decorate Coupons. Neatness will NOT count.
8. Any inquiry the reply to which could not affect outcome of Contest will be acknowledged.
9. A contestant may send in any number of answers, and each set will be judged as a unit, but no individual may win more than one prize. A contestant sending in more than one fully paid set, and one yearly subscription for each set submitted, will be entitled to one book for each set.

ADDRESS—

"CONTEST EDITOR"
SOCIAL JUSTICE
ROYAL OAK
MICHIGAN

Away to a "flying start" and out to exceed its predecessor, our **"KNOW AMERICA" Contest** will soon be edging towards its peak.

With more than $8,500.00 in cash awards to be won by 335 readers of SOCIAL JUSTICE, you can imagine what interest will be shown.

The Grand Prize of $2,750.00 is a neat fortune in itself. A Second Prize of $1,250.00! A Third Prize of $500.00! A Fourth Prize of $200.00! A Fifth Prize of $75.00 And 330 additional awards to go to winners!

On top of all that—YOU CAN WIN AN EXTRA $750.00 BY ENTERING THE CONTEST EARLY AND BEING ADJUDGED WINNER OF THE GRAND PRIZE. IN THAT HAPPY EVENT YOUR TOTAL WINNINGS WOULD REACH $3,500.00!

Then there's the education—the learning of things American — very important things these days! You can't lose in this sort of contest.

All four past pictures are before you today. Use both coupons, sending in your solutions to Picture-Questions No. 1, 2, 3, and 4.

THEN YOU'RE IN!

For Promptness You Add $750

There will be a Special Prize of $750.00 for the winner of the Grand Prize who enters the "KNOW AMERICA" Contest during the first ten weeks of its life. That means that if you enter NOW and win the Grand Prize of $2,750.00, YOU WILL RECEIVE OUR CHECK FOR $3,500.00 BECAUSE YOU WERE PROMPT.

Remember—every person who enters this great Contest and perseveres to the end will receive, free of additional cost, a beautifully printed 105-page book descriptive of the Shrine of the Little Flower, embodying 63 handsome illustrations.

MAKE THIS PROMPTNESS PRIZE YOURS BY ENTERING TODAY! IF YOU DO—YOU WILL WIN $3,500.00 IN CASH!

How To Become A Contestant

1. **Study the questions. Mark your selection of the best or most appropriate answers on the Coupon below the picture and send in EACH WEEK with 10 cents in coin (not stamps).**
2. **If you wish, you may pay up in full, $2.50 NOW, and then send in your weekly Coupons without further remittance.**
3. **Each question will pertain to a live AMERICAN ISSUE discussed in the columns of SOCIAL JUSTICE. One of the list of suggested answers underneath each picture will be the best or most appropriate FROM THE VIEWPOINT OF FATHER COUGHLIN AND THIS WEEKLY ON NATIONAL SOCIAL AND ECONOMIC ISSUES. It is your job, as a contestant, to try to select that particular answer.**
4. **In order to qualify for the prizes, a contestant is required to remit $2.50 for each complete set of solutions submitted, and also to obtain one NEW yearly subscriber to SOCIAL JUSTICE at the annual subscription price of $2.00 per year. This subscription may be sent in at any time during the 25 weeks duration of the Contest.**

READ RULES CAREFULLY AND ENTER TODAY!

Extra Entry Coupon for a Friend or Relation

FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN KA
NOT NECESSARY TO RETURN PICTURE
Make your selection by number from suggestions under each picture.
Write clearly the number in the little square.

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MY NAME IS.....

MY ADDRESS IS.....

TOWN OR CITY.....STATE.....

Little Chance for Honest Money Bill This Congress

By Staff Correspondent of SOCIAL JUSTICE

WASHINGTON, D. C. — Barring developments, now unforeseen, no new monetary legislation will be adopted at this session of Congress.

Money reform measures have been hampered by White House opposition and by the failure of House and Senate leaders to get together on joint legislation.

Another stumbling block is the protracted congestion of business in both houses brought about by the Supreme Court pack bill.

The administration recently threw a wrench into the plans of Senator Elmer Thomas (D. Okla.) to get action on his bill to stabilize the commodity value of the dollar. In a letter to Senator Thomas, President Roosevelt flatly refused to give official endorsement to the bill.

150 Representatives Sponsor Patman Bill

The House bill providing for government ownership of the 12 Federal Reserve Banks has finally been introduced and referred to the committee on banking and currency. It has the backing of an unofficial steering committee totaling 150 members, headed by Representatives Patman of Texas and Binderup of Nebraska.

Just how far this bill will get is a question. Indications of administration support have been strongly implied by its backers, but most observers believe the bill is too big a step in the direction of honest money to win the joint blessing of President Roosevelt and Secretary of the Treasury Morgenthau.

The measure provides that the stock and property of Reserve Banks be taken over by the government. The proposed cost would approximate $132-million. This figure represents the par value of all stock held by member banks, plus 6 per cent interest from the time the last dividend was paid.

It is well to note that the bill, as introduced, does not restore to Congress its full constitutional power to "coin money and regulate the value thereof." However, it is argued, that goal would be more easily attained once the government takes over the stock of the Federal Reserve System.

Authors Hopeful of House Action

Representatives Patman and Binderup, both veteran advocates of honest money legislation, have spurned rumors that the bill will be allowed to languish in committee.

In an interview with SOCIAL JUSTICE, Mr. Patman predicted that the legislation will pass the House at this session "by a three-fourths majority."

"The overwhelming majority of House members are for this bill," he said, "and we will not rest until it is brought to the floor for a vote."

Efforts of Patman and Binderup to obtain sponsorship in the Senate so far have failed. They believe, however, that support in that chamber will be forthcoming if the House passes the bill by a good-sized majority.

Lemke's Banking Bill Aimed To Cover Whole Situation

By the Financial Editor

William Lemke, representative from North Dakota, on January 5, 1937, introduced his banking bill, H.R. 1659, the provisions of which were outlined in a recent issue of SOCIAL JUSTICE.

The bill itself is a grammar of sound monetary policy. Once and for all it places the banking system of America in the hands of the government. Such was the intention of the fathers when they wrote Article 1, Section 8, clause 5, of the Constitution, empowering Congress to issue the money of the United States and to regulate its value.

The Lemke bill establishes a Board of Control of 48 members, one from each state. Superficial thinkers regard this as an objectionally large board. They not not realize that there are at present well over a hundred directors of the 12 Federal Reserve banks. Neither do they realize that Texas has more directors than any other state and that Pennsylvania exceeds even New York.

The banking control of this nation, from the standpoint of the Federal Reserve System and its twelve regional banks, in no wise represents either statehood or population distribution. The Lemke bill would proportion control geographically and by statehood.

The bill provides for the purchase of the Federal Reserve Banking System in its entirety; puts all employes under United States civil service; and respects sound business practice in its provision for an executive committee of seven chosen from the experienced in the financial field.

The proposed bank, first of all, is to be the depository of all government funds, which will be dispersed through this bank. This Bank of the United States, futhermore, shall be the depository for the states and the political subdivisions of the states.

There are more than 180,000 units of government with the power to tax and collect money.

During many decades of our history big banks have grown bigger, partially because the surpluses of many small banks were deposited with the great institutions. As a result, from a monetary standpoint, a New York and Chicago group grow fabulously rich and powerful, with virtually unlimited credit facilities, as they draw upon the reserves and surpluses of the entire nation, simply because they are depositories for lesser institutions.

What would the Lemke bank do with the vast deposits contemplated? It would lend to the United States government to the state governments and to small political subdivisions the necessary funds for public improvements just as the private banks now loan to governments.

Yet, where the interest rate today is a frightful tax upon the farmer and laborer and business, the government bank **could lend to government at one per cent interest and thus reduce tremendously a nation's tax burden.**

The Lemke bank plan would loan preferentially to those political subdivisions where unemployment is greatest, where the wage scale is falling and where credit is most needed.

The Bank of the United States could direct its loans to the Farm Credit Administration and to the Home Owners' Loan Corporation at an extremely low interest and thus save the homes and farms of America.

Finally, it is contemplated that this bank invest in the debt of the United States, calling in the outstanding bonds and treasury certificates which bear the highest rate of interest and retiring them with full payment to their owners. These bonds would be held at one per cent interest, rather than the 2, 4, 6, 7 or 8 per cent America has paid the bankers throughout its history.

Advantages and Effects Of a Nation's Money System

So many requests have been received by the financial editor of SOCIAL JUSTICE for a repetition of the comparative effects of an honest money system and a dishonest system, that this article is again summarized here. It is worth preservation and study by every student of social justice.

Advantages Of Honest System

Establishment of an honest money system in America would—

Restore sovereignty over money to its rightful possessors, namely, the people, through Congress.

Insure the lastingness of democracy.

Rid Congress of servile politicians.

Make possible the attainment of a just, living, annual wage for the worker and production at a profit for the farmer.

Prevent confiscation of honestly acquired property and savings of the people.

Eliminate the domination over the government of the manipulators of money who oftentimes were the cause of war.

Insure lasting peace among nations whose governments will be able to legislate laws independent of the international money changers.

Make possible the real freedom of the press and the teaching of the truth in all schools, freed once and for all from the domination of money creators.

Insure independence for industry which today is dominated by finance.

Insure equitable credit for all manufacturers who are willing to pay a just, living wage for the production of a good product.

Enable every manufacturer to pay a just, living annual wage free from the competition necessitated by the private control of money.

Eliminate the existence of non-productive bonds, such as Liberty Bonds, originated to borrow money for digging shell holes and killing soldiers.

Lessen the burden of taxation.

Re-establish banking on its original plan, namely, to make of it a function whereby the bankers will guard your money safely or will invest it to the best of their ability and divide the profits with you or will lend it to your fellow-citizens for their welfare and the welfare of the social body.

Permit Christian virtue to be practiced when want is destroyed in the midst of plenty.

Enable the youth of the land to marry: Young couples will look forward not into the shadows of depression, but into the sunshine of prosperity.

Effects Of Dishonest System

If policies of our present money system are permitted to endure—

Private individuals will coin money for their own personal gain.

Corporations organized for production, such as automobiles, steel and textiles, will be under the domination of the private money creators.

The government itself will be dominated by the money plutocrats.

The press, dependent upon advertising received from banker-dominated corporations and commercial houses, will continue to deceive the people.

The educational system will continue to ostracize the truths of economies from our schools.

An uninformed citizenry, forced to work either on the mortgaged-controlled farms or in the banker-controlled industries, will receive a less than living annual wage.

Through the international manipulation of gold and money engineered by a small group of money creators living in each country, wars will continue to ensue.

The only prosperity which will come as a breathing spell will be that prosperity enjoyed as we prepare for war and fight the war.

The issue of non-productive bonds will continue to sap the profits of production through the process of taxation for the benefit of the creators of debt.

The citizens, weighed down by the unbearable costs of war and depression, will be inclined to blame a democratic form of government and unwittingly relinquish the liberties already won for the bare necessities of life, which the plutocrats will allow them only at the sacrifice of liberty.

Dictatorship, be it that of the Communists, of the Fascist, or of the extreme Socialist type, will necessarily ensue.

Christianity, which teaches the principles of social justice and upon which is founded the sovereignty of the government's right to coin and regulate the value of money, will be disavowed because Christianity will be blamed for putting war into the world instead of peace, poverty instead of prosperity and hatred instead of love.

The children of future generations shall be the scape-goats whom we are forcing to bear the sins of an unintelligent money system which, anticipating their birth, already has mortgaged their life's income.

Chaos in law, in government, and in civilization inevitably will result.

Searchlight on the Money Changers

NEW YORK, N. Y. — Winthrop W. Aldrich, chairman of the Chase National Bank, on his recent return from abroad, said that "Nobody really ought to make any comment on the gold situation. The whole thing is up to the government and I think it is being very well handled.

"The gold situation is out of the bankers' hands and is a government problem and the president knows more about the gold situation than anyone else and what he says about it is 100 per cent correct.

"I don't think the United States should do anything with regard to the gold situation except co-operate with England."

This is the typical utterance of a Big Banker. One should make no comment on the greatest financial swindle in history, with America paying for the next war by our present gold policy. The gold situation is the government's business.

The infamous Gold Bill of 1934 deprived citizens of their gold under the guise of "nationalizing gold." But, as has been proven, the gold still belongs to the Federal Reserve Banks and they can obtain the gold from the government vaults whenever they demand it.

Why shouldn't the Big Banker believe the president is 100 per cent right? Didn't he come to the rescue of the Big Banks in 1933, when they were all broke, and give them a rubber check for $18-billion and guarantee that it wouldn't bounce?

This eminent banker doesn't mean we should co-operate with the **people** of England. He means with the **Bank of England,** manned by that peerless group of international bankers who hold the destiny of all nations in their vaults.

London Limits Foreign Exchange

LONDON, ENGLAND. — We see that the Bank of England has virtually demanded that foreign exchange brokerage firms be reduced from the present number of around 30 to not more than 12. They have reduced the banks of England to the present "big five" who just about control all the financial houses of Great Britain. Now they go after the brokers. **It is easier to dictate to and control 12 than 30 concerns.**

No Recovery Without Financial Reform

SOCIAL JUSTICE

Father Coughlin's Weekly Review

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Revelations of SOCIAL JUSTICE Quoted in Halls of Congress

McAdoo Working for Bill To Put Over Chain Banks

Wilson Treasury Aide Carrying On Drive Where Andrew Mellon Left Off

WASHINGTON, D. C.—One of the oilier hirelings of the money changers in Congress who has performed a long, though little publicized, service for Wall Street is Senator William Gibbs McAdoo of California.

The senator from California is by no means idle now. He's messing around behind the scenes to get support for a piece of legislation he recently introduced in behalf of the international money racket.

The bill, simply defined, would permit the privately-owned Federal Federal Reserve System to institute chain store banking all over the country and drive little independent banks to the wall.

Mr. McAdoo gets very indignant when confronted with this definition of his bill. It hurts his sensitive soul to be charged with fathering legislation inimical to the best interests of the people.

His bill, he says, is not monopolistic in character, nor would it increase the profits of the big bankers. No—no—no! Perish the thought!

Patman Chain Foe

Nonetheless, there are a lot of hard-hearted individuals in the Congress — Representative Wright Patman of Texas being one — who disagree with Senator McAdoo and who hold the Senator's motives slightly suspect.

Representative Patman, who has fought a long battle for monetary reform along the lines proposed by Father Coughlin, abhors chain stores of all kinds — particularly those that deal in Wall Street money.

He has gone on record numerous times saying that "chain store banking" will result ultimately in the outright extinction of the independent financial institution. Furthermore, the Texas congressman has bitterly arraigned the Federal Reserve System for "sentiment favorable to branch banking."

Andy Mellon's Idea

Mr. Patman charges that the proponents of branch banking got the idea from Andrew Mellon, who labored for years to put all the banks in the nation under a chain system owned by himself, Rothschild, Morgan, Baruch et al.

The skullduggery didn't work out because the "grab" was too big to take all in one piece. Senator McAdoo is taking up where Mellon left off.

His bill has the support of Marriner Eccles, chairman of the Federal Reserve board of governors, and the opposition of the American Bankers Association.

Behind the Washington News Front

From Capital Bureau of SOCIAL JUSTICE

WASHINGTON, D. C. — There is no more amazing example of President Rosevelt's inconsistency than his denunciation of wealthy tax dodgers while he continues to keep government bonds, held almost entirely by the money changers, on the tax exempt list.

The poor cannot afford to buy governments because of the low interest return. The bonds are bought chiefly by international bankers and insurance companies, who not only can afford to carry them but who find it good business to do so because the bonds are tax free.

Thus, we have the paradox of these rich individuals and corporate interests escaping payment of millions of dollars in taxes while they receive from the government close to a billion dollars yearly in interest on the bonds—**which the poor are taxed to pay.**

McNutt Aspires

The backlash of unfavorable publicity following the ill-starred "cocktail" edict of Paul V. McNutt, high commissioner of the Philippines, was nothing to be compared to the rancor occasioned by certain unpublicized remarks Mr. McNutt is reported to have made right here in the United States.

The high commissioner, it seems, has been bitten very hard by the presidential bee. Just before his departure to assume his island duties, he unbosomed his aspirations to friends here—with gestures.

He projected himself into the thick of the 1940 battle, delivering a stirring account of how he would capture the Democratic nomination, and then began to break down the electoral votes. He even went so far as to name the states he would carry in the election, and those on the "doubtful" list.

When the story reached the ears of Postmaster General Jim Farley and other New Deal leaders, those worthies were furious. Jim himself would like to be the next president, but wouldn't dare express himself in the tactless manner of McNutt. Granting we still have a democratic form of government in 1940, Jim knows that he would have to undertake the stalking horse role again for Mr. Roosevelt and the international bankers.

Court Canard

There is more poetry than truth in the rumors that expediency has induced the so-called "changed attitude" of the Supreme Court since President Roosevelt announced his judiciary reform plan several months ago.

These rumors were started by Roosevelt loyalists who, finally despairing of getting the "pack" bill through Congress, have engineered a whispering campaign to compromise the integrity of the court justices in the public mind. The idea was to make the justices out as "politicians" by implying that they had reversed their former attitude toward New Deal legislation and are therefore ineligible to continue to sit in judgment on White House policies.

The stock story being bruited around goes something like this:

Shortly after the President dropped the court bill on Congress, Chief Justice Hughes conferred secretly on several occasions with Senator Wheeler and other congressional opponents of the bill. It was decided by all hands that the bill could not be defeated unless the court sided with the New Deal in vital cases before it. The chief justice passed the word along to his associates and they "took the hint."

The story is as false as grandpa's "boughten" teeth, but it has received enough recognition to be recorded by several of the Capital's better known news columnists.

Southern Leadership Fed Up on New Deal

WASHINGTON, D. C. — One of the most perplexing problems currently facing New Deal chieftains is what to do about the mounting resentment of southern Congressmen against the President.

The south apparently has had about all it wants of Rooseveltism and is ready to call it a day.

This was one of the principal reasons behind the three-day rally of Democratic Senators and Representatives at the Jefferson Island political haven on Chesapeake Bay. The President is acutely aware of the dangers confronting him in this and future sessions of Congress if the south bolts his leadership.

Rankin Near Break With Chief

A startling indication of the depth of the present cleavage was had in the brusque departure from town of Vice President Jack Garner. The able and popular Vice President deserted the fold at a time when he was needed most to neutralize the animosity which the court pack proposals have created in the Senate.

Another New Deal wheelhorse who is reported to be on the verge of breaking with the White House is Representative John E. Rankin of Mississippi.

Rankin was overheard to tell another member of Congress the other day that **"the President is slipping."**

Coming from a man who has been so regular a New Dealer that he was almost elected to succeed the late Speaker Byrns, that sort of talk doesn't fall very much short of "lese majesty."

Roosevelt Losing Support in South

Rankin went on to say, according to reports, that Roosevelt was losing support in the south for three reasons:

(1) **His demand that the Supreme Court be packed;**

(2) **His encouragement of John L. Lewis' attempt to establish an industrial dictatorship in the nation;**

(3) **His support of the anti-lynching bil, which has already passed the House.**

Two of the three Representatives who led the "earmarking" revolt against the President's $1,500,000,000 relief bill were southerners — Joe Starnes of Alabama and Wilburn Cartwright of Oklahoma.

The relief bill was passed unrevised by the House when Starnes and Representative Alfred Beiter of New York, the third insurgent, were tricked into surrendering, but feeling still runs high.

Southerners led the rebellion in both the Senate and House agricultural committees against the new A. A. A. bill, written by Secretary Wallace and his aides.

Chairman James F. Byrnes of the Senate committee refused to consider the bill, charging that it did not have the support of the majority of farmers. Senator Byrnes is a South Carolinian.

Representative Marvin Jones of Texas, chairman of the House agricultural committee, opposed the bill for the same reason.

'Communism Due First in Detroit Area'

By Staff Correspondent of SOCIAL JUSTICE

WASHINGTON, D. C.—Citing a story which appeared several weeks ago in SOCIAL JUSTICE Representative Clare E. Hoffman of Michigan charged recently that President Roosevelt "has betrayed the workers of America into the hands of a dictator, John L. Lewis, who will drive them from their jobs unless they pay tribute."

Hoffman declared that the president was purposely allowing "bloody riots" to continue in strike areas "until the psychological moment arrives," adding:

"Then he will call in the reporters, and after lives have been sacrificed and untold suffering has been brought to our people, will boldly declare that the law must be obeyed, and so reap political prestige."

The congressman's reference to SOCIAL JUSTICE came when he stated:

"In a nationally known publication, it was asserted, and so far as I know it has never been denied, that about the time of Frank Murphy's return from the Philippine Islands, at the request of the president, to become a candidate for the governorship of Michigan, Murphy was reported as quoting President Roosevelt: **'If Communism breaks in America, it will be in the Detroit area where it will first manifest itself.'"**

Further alluding to the article, on page one of the May 24 edition of SOCIAL JUSTICE, Hoffman continued:

"Roosevelt was either possessed of prophetic vision or he had inside information as to the purpose of John L. Lewis. . . . I do not know how the president knew back before the November election that Communism was going to break in the Detroit area unless John L. Lewis told him so."

With a scourge of oratory, the Michigan Congressman beat down one New Deal apologist after another when they rose to challenge his denunciation of the President.

11
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